

SB 257 -- PORT IMPROVEMENT DISTRICT ACT

SPONSOR: Silvey

COMMITTEE ACTION: Voted "Do Pass" by the Committee on International Trade by a vote of 7 to 0.

This bill changes the laws regarding the Port Improvement District Act. In its main provisions the bill:

- (1) Defines "consent" as the written acknowledgment and approval of the creation of a district by more than 60% of the property owners and by property owners who collectively own more than 60% of the assessed value of the real property within the proposed district;
- (2) Revises the definition of "project" to include the construction or modification of any infrastructure or fixture the port authority determines to be essential for developing energy resources, eliminating pollution, or providing water facilities or the disposal of solid waste. A "project" also includes the clearing and grading of real property and the acquisition of other property and improvements that are determined to be significant in the history, architecture, archeology, or culture of the United States, Missouri, or its political subdivisions;
- (3) Revises the definition of "qualified project costs" to include the costs of constructing, operating, rehabilitating, reconstructing, maintaining, and repairing new or existing infrastructure and facilities or removing public works or improvements;
- (4) Defines "taxpayer" as a person or owner of real property within the proposed district who would pay real estate or use taxes as a result of the district establishment;
- (5) Changes the filing location of the draft petition for creating a port improvement district to the circuit court where a majority of the proposed port improvement district is located;
- (6) Changes when the port authority board must file certain documents with the Missouri Highways and Transportation Commission within the Department of Transportation to when the proposed district is within the highways of Missouri. Currently a port authority board must file the documents with the commission even if the proposed district is not within state highways;
- (7) Requires a petition to have the consent of the property owners to be considered and approved by the port authority board and the

circuit court unless the port authority is the owner of all the real property within the district;

(8) Allows Clay County to establish a port improvement district;

(9) Requires the port authority to hold a public hearing no more than 60 days prior to the submission of the draft petition to the circuit court. Currently, the public hearing must be held no more than 10 days prior to the submission of the petition;

(10) Repeals the notification requirement by mailing for port authority that is the owner of all the real property within the proposed district;

(11) Allows a property tax resolution to be final without a mail-in ballot election if the port authority is the owner of all the real property within the proposed district;

(12) Requires the port authority to repeal by resolution the continuation of any real property tax when all of the obligations of the port improvement project have been met unless the tax secures an outstanding obligation of the project or covers ongoing expenses the port authority has incurred to pay qualified project costs of the approved project;

(13) Requires any funds remaining in the special trust fund to be refunded to the property owners if the funds exceed any remaining obligations of the port improvement project and are not needed to cover ongoing expenses. Currently, the remaining property tax funds that are not needed for current expenditures may be invested by the port authority or used for other port improvement projects;

(14) Allows a resolution for a district-wide sales and use tax to be final without a mail-in ballot election if the port authority is the owner of all of the real property within the proposed district; and

(15) Requires the port authority to repeal by resolution the continuation of any sales and use tax when all of the obligations of the port improvement project have been met unless the tax secures an outstanding obligation of the project or covers ongoing expenses the port authority has incurred to pay qualified project costs of the approved project;

The provision regarding Sections 68.025, 68.035, 68.040, 68.057, 68.070, and 68.200 to 68.260, RSMo, contain a severability clause.

PROPOSERS: Supporters say that the bill clarifies the terms and provisions from the original Port Improvement District Act and

addresses problems that became apparent since its enactment.

Testifying for the bill were Senator Silvey; and Port Authority of Kansas City.

OPPONENTS: There was no opposition voiced to the committee.