

SB 257 -- PORT IMPROVEMENT DISTRICT ACT

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 port improvement 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 in developing energy resources; preventing, reducing, or 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 or rights and interest therein that are determined to be significant in the history, architecture, archeology, or culture of the United States, the state of Missouri, or its political subdivisions;

(3) Revises the definition of "qualified project costs" to include the costs of constructing, operating, rehabilitating, reconstructing, maintaining, or 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's establishment;

(5) Changes where an approved draft petition for creating a district must be filed to the circuit court of the county where a majority of the proposed district is located. Currently, the petition must be filed in the circuit court of the county where the district is located;

(6) Changes when the port authority board must file certain specified documents with the 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 for every proposed district;

(7) Specifies that a petition is proper for consideration and approval by the board and the circuit court if it has the consent of the property owners and contains specified information. Currently, a petition is proper for consideration and approval by

the board and the circuit court if it has been signed by property owners collectively owning more than 60% per capita of all owners of real property within the boundaries of the proposed district. No consent can be required if the port authority is the owner of all the real property within the proposed district;

(8) Repeals the provision prohibiting Clay County from establishing a port improvement district within its port district boundaries;

(9) Requires a port authority to hold a public hearing on a proposed project, any proposed applicable real property tax or sales and use tax, and the establishment of the proposed district 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. The notification by publication and mailing of the public hearing is not required if the authority is the owner of all the real property within the proposed district;

(10) Clarifies that the circuit court must give the required notice to the public in a newspaper serving the area in the proposed district of a petition to create a district upon the receipt of the filed petition;

(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 a 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 incurs to pay qualified project costs of the approved project;

(13) Requires any funds remaining in a special trust fund for a specific project upon expiration or termination of any real property tax to be refunded pro-rata 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 funds that are not needed for current expenditures may be invested by the port authority and used for other approved 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 a 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 bill specifies that Sections 68.025, 68.035, 68.040, 68.057, 68.070, and 68.200 to 68.260, RSMo, regarding port authorities are severable and if any provision is held to be invalid for any reason, the decision cannot invalidate any of the remaining provisions. Currently, the provisions are nonseverable and if any provision is held to be invalid, the decision must invalidate all of the remaining provisions.