



GOVERNOR OF MISSOURI

JEFFERSON CITY

65102

JEREMIAH W. (JAY) NIXON  
GOVERNOR

P.O. Box 720  
(573) 751-3222

July 14, 2010

TO THE SECRETARY OF STATE OF THE STATE OF MISSOURI

Herewith I return to you Senate Committee Substitute for House Committee Substitute for House Bill No. 1831 entitled:

AN ACT

To amend chapter 177, RSMo, by adding thereto one new section relating to real property donated to school districts.

I disapprove of Senate Committee Substitute for House Committee Substitute for House Bill No. 1831. My reasons for disapproval are as follows:

School districts are recipients of real property donated by individuals, businesses and community organizations. These parcels are used for a variety of purposes including infrastructure expansion, athletic fields, or future district needs. While the donation of real property constitutes a generous gesture by the donor and an opportunity for a school district to advance needed improvements, subsequent circumstances may dictate a school district transfer the property out of its holdings. Under existing law, a school district desiring to convey real property – be it acquired by purchase or donation – must do so through a process designed to provide the school district fair market value for the property. And, relevant to this legislation, a school district is not permitted under current law to simply return donated property to the previous owner.

Senate Committee Substitute for House Committee Substitute for House Bill No. 1831 would create an exception for land acquired through donation by allowing a school district to transfer such property back to the previous owner under certain circumstances. This provision was drafted to address a specific parcel of land held by a particular school district. While the legislation would apparently satisfy the needs of that particular school district, the language is not limited to that school district or that parcel of land and could inflict unintended future hardship to other school districts in possession of donated real property.

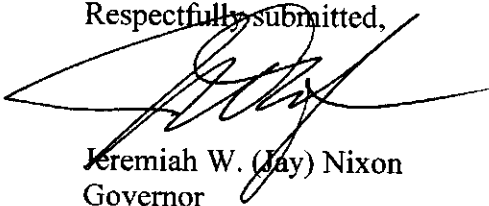
Senate Committee Substitute for House Committee Substitute for House Bill No. 1831 is problematic in several respects:

- The legislation precludes a school district from conveying donated real property until ten years have elapsed from the date of donation;
- The legislation requires that a school district, prior to selling property acquired through donation, must first offer to return the property to the previous owner. However, the legislation does not account for improvements made to the real property by the school district or allow the school district to be compensated if the previous owner accepts the property back; and
- The legislation requires the previous owner refuse to accept return of the property prior to the school board being authorized to sell the donated parcel. The bill contains no procedural mechanism for when the original donor cannot be found, is deceased, or is a defunct entity or organization. Moreover, the legislation fails to impose a time period during which the donor must decide to accept or decline the return of the real property. These oversights erect a potential bar to the school district's ability to sell unneeded property.

The purpose underlying this legislation to assist a specific school district transfer a particular parcel of property may be worthy. However, I cannot permit it to be accomplished at the risk of imposing future impediments to the other school districts of this state.

In accordance with the above stated reasons for disapproval, I am returning Senate Committee Substitute for House Committee Substitute for House Bill No. 1831 without my approval.

Respectfully submitted,



Jeremiah W. (Jay) Nixon  
Governor