

April 24, 1964

Opinion No. 172 Answered by Letter  
(Eichhorst)

Mr. William E. Siebert  
Assistant Industrial Director  
Division of Commerce and  
Industrial Development  
8th Floor, Jefferson Building  
Jefferson City, Missouri

Dear Mr. Siebert:

This is in answer to your recent request for an opinion of this office as to whether or not a bond issue may be issued by a city under the Industrial Development Bonding Law where the bond issue would involve the purchase of an existing plant from the Industrial Development Corporation and an expansion or extension thereof.

Words having a specific meaning within the context of the Industrial Development Bonding Law (Sections 71.790 to 71.850, RSMo Cum. Supp. 1963) are defined in Section 71.790, RSMo Cum. Supp. 1963. Subdivision 5 of that Section reads as follows:

"(5) 'Project for industrial development' or 'project', the purchase, construction, extension and improvement of industrial plants, including the real estate either within or without the limits of such municipalities, buildings, fixtures, and machinery; except that any project of a municipality having fewer than eight hundred inhabitants shall be located wholly within the limits of the municipality."

Therefore, from the above definition, it is clear that a "project" may include both the purchase of an existing plant and the extension thereof. General obligation bonds may be

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issued for a project by any municipality located in a county having a population of 400,000 or less, as provided for by Section 71.817, RSMo Cum. Supp. 1963. Revenue bonds may be issued for a project by any municipality, as provided for by Section 71.820, RSMo Cum. Supp. 1963. Thus, a bond issue can be issued for such a development where the project and issuance have been approved as required by Sections 71.790 to 71.850, RSMo Cum. Supp. 1963.

Yours very truly,

THOMAS F. EAGLETON  
Attorney General

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