SECOND REGULAR SESSION SENATE COMMITTEE SUBSTITUTE FOR HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 1871

95TH GENERAL ASSEMBLY

Reported from the Committee on Commerce, Consumer Protection, Energy and the Environment, May 10, 2010, with recommendation that the Senate Committee Substitute do pass.

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TERRY L. SPIELER, Secretary.

AN ACT

To repeal sections 260.005, 260.080, 386.210, 640.100, and 701.033, RSMo, and to enact in lieu thereof twenty-three new sections relating to environmental protection, with an emergency clause for a certain section.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 260.005, 260.080, 386.210, 640.100, and 701.033,

- 2 RSMo, are repealed and twenty-three new sections enacted in lieu thereof, to be
- 3 known as sections 8.860, 21.950, 37.970, 67.2800, 67.2805, 67.2810, 67.2815,
- 4 67.2820, 67.2825, 67.2830, 67.2835, 192.1250, 260.005, 260.080, 260.244, 341.230,
- 5 386.210, 640.085, 640.100, 640.116, 640.128, 644.200, and 701.033, to read as
- 6 follows:
 - 8.860. 1. As used in this section, the following terms shall mean:
- 2 (1) "ASHRAE" or "American Society of Heating, Refrigerating, and
- 3 Air Conditioning Engineers", an international technical society for all
- 4 individuals and organizations interested in heating, ventilation, air
- 5 conditioning, and refrigeration;
- 6 (2) "Building project", the design, construction, renovation,
- 7 operation, and maintenance of any inhabited physical structure and its
- 8 associated project building site;
- 9 (3) "Commercial interior fit-out", interior design and installation
- 10 by owners or tenants of new or existing office space, typically exclusive
- 11 of structural components and core and shell elements;
- 12 (4) "GBI", Green Building Initiative;

- 13 (5) "Globes", the level of a building's sustainability and energy 14 efficiency performance as determined by GBI's Green Globes Rating 15 System;
- 16 (6) "Green Globes Rating System", the most current 17 environmental building rating system established by the Green 18 Building Initiative;
- 19 (7) "High-performance building", a building designed to achieve 20 integrated systems design, construction, and operation so as to 21 significantly reduce or eliminate the negative impact of the built 22 environment and optimize positive attributes;
- 23 (8) "LEED", Leadership in Energy and Environmental Design as 24 determined by the current version of the USGBC's Green Building 25 Rating System;
- (9) "LEED Silver", the current Silver standard as set forth by the
 USGBC's LEED Green Building Rating System;
- 28 (10) "Major facility project" or "major facility projects":
- 29 (a) A state-funded:
- a. New construction building project in which the building's gross square footage is greater than five thousand;
- b. Renovation project involving more than fifty percent of the square footage or occupancy displacement; or
- 34 c. Commercial interior fit-out project that is larger than seven 35 thousand square feet of leasable area;
- 36 (b) Shall not include:
- a. A building, regardless of size, that does not have conditioned space as defined by ASHRAE standard 90.1;
- 39 b. A correctional facility constructed for the department of 40 corrections or the department of mental health;
- 41 (11) "Renovation project", a building project involving the 42 modification or adaptive reuse of an existing facility;
- (12) "Third-party commissioning agent", a person accredited by the USGBC or GBI with expertise in building system performance who analyzes, evaluates, and confirms proper function and performance of a high-performance building, its systems, equipment, and indoor air quality and who did not participate in the original certification of the major facility project or renovation project;
- 49 (13) "USGBC", the United States Green Building Council.

- 2. All major facility projects in Missouri under subparagraph a.
 of paragraph (a) of subdivision (10) of subsection 1 of this section shall
 be designed, constructed, and at least certified as receiving two Globes
 using the Green Globes Rating System or receiving the LEED Silver
 standard. All major facility projects in Missouri as defined under
 subparagraphs b. and c. of paragraph (a) of subdivision (10) of
 subsection 1 of this section shall be analyzed using:
 - (1) A life cycle cost analysis comparing the cost and benefits of designing, constructing, maintaining, and operating the facility at the LEED Silver standard or two Globes standard, or better, with certification;
 - (2) Normal industry and regulatory standards, as applicable; or
 - (3) Some standard between subdivisions (1) and (2) of this subsection that causes the project to be designed, constructed, and operated in a manner that achieves the lowest thirty-year life cycle cost.
- 3. In obtaining certification as receiving two Globes using the Green Globes Rating System, a major facility project shall earn at least twenty percent of the available points for energy performance under C.1.1 energy consumption. In obtaining certification as meeting the LEED Silver standard, a major facility project shall reduce energy use twenty-four percent for new buildings or twenty percent for existing buildings over ASHRAE standard 90.1-2007.
 - 4. The office of administration shall waive the requirements of this section for a proposed major facility project if it determines that the cost of meeting the requirements under this section exceeds the cost of completing the project using traditional construction or renovation standards by three percent or more.
 - 5. The office of administration may petition the general assembly to require all major facility projects be certified to a high-performance building rating system standard in addition to or in lieu of the systems provided in this section. However, any alternate rating system adopted by the general assembly shall be no less stringent than the systems provided in this section.
- 6. All major facility projects that were certified at the LEED Silver or two Globe standard or higher shall be inspected by a third-party commissioning agent, at a minimum, in the fifth, tenth, and

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fifteenth year following certification. The third-party commissioning 87 88 agent shall determine whether the building is operating at the standard 89 to which it was originally designed and certified. The third-party commissioning agent shall report its findings to the office of 90 administration and the respective state department or departments 91 occupying the facility. The report shall include but not be limited to 9293 the facility's savings on energy and water, the level of its indoor air quality, the existing system's function and performance, problems with 94 95 the system, and whether the system's performance meets the facility's 96 requirements. If the office of administration determines the building 97 is not operating within the spirit of this section, the office of administration may take appropriate measures to bring the building 98into compliance. 99

- 7. The office of administration shall develop and implement a process to monitor and evaluate the energy and environmental benefits associated with each major facility project designed, constructed, and renovated under this section. The monitoring and evaluation of each major facility project shall commence one year after occupancy or use and shall continue for fifteen years thereafter. All data concerning energy, operational, and environmental benefits collected under this section shall be made available to the office of administration to be compiled and submitted to the general assembly under subsection 7 of this section.
- 8. The office of administration shall submit a report regarding major facility projects to the house committee on energy and environment and the senate committee on energy and environment that includes:
 - (1) The number and types of buildings designed and constructed;
- 115 (2) The level of certification of each building designed, 116 constructed, or renovated;
 - (3) Actual savings in energy costs;
- 118 (4) A description of all potential environmental benefits, 119 including but not limited to, water savings and the reduction of waste 120 generation;
- 121 (5) The ability of building to continue to operate at the standard 122 to which it was originally certified;
- 123 (6) In the event of a waiver by the office of administration to not

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124 pursue certification, reasons for the waiver;

- 125 (7) Any conflicts or barriers that hinder the effectiveness of this section.
- 127 9. The office of administration shall promulgate rules to implement the provisions of this section. Any rule or portion of a rule, 128 as that term is defined in section 536.010, that is created under the 129 authority delegated in this section shall become effective only if it 130 complies with and is subject to all of the provisions of chapter 536 and, 131 132 if applicable, section 536.028. This section and chapter 536 are 133 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to 134 disapprove and annul a rule are subsequently held unconstitutional, 135 then the grant of rulemaking authority and any rule proposed or 136 adopted after August 28, 2010, shall be invalid and void. 137
- 21.950. 1. There is hereby established a joint committee of the general assembly, which shall be known as the "Joint Committee on Solid Waste Management", which shall be composed of five members of the senate, with no more than three members of one party, and five 5 members of the house of representatives, with no more than three members of one party. The senate members of the committee shall be appointed by the president pro tem of the senate and the house members by the speaker of the house of representatives. The committee shall select a chairperson and a vice-chairperson, one of 10 whom shall be a member of the senate and one a member of the house of representatives. A majority of the members shall constitute a 11 quorum. Meetings of the committee may be called at such time and 1213 place as the chairperson designates.
 - 2. The committee shall examine Missouri's present and future solid waste management needs to determine the best strategy to ensure affordable and environmentally-conscious long-term waste management that will meet the needs of the people and businesses of Missouri for the next twenty-five years.
- 3. The joint committee may hold hearings as it deems advisable and may obtain any input or information necessary to fulfill its obligations. The committee may make reasonable requests for staff assistance from the research and appropriations staffs of the house and senate and the committee on legislative research.

- 4. The joint committee shall prepare a final report, together with its recommendations for any legislative action deemed necessary, for submission to the general assembly by December 31, 2010, at which time the joint committee shall be dissolved.
- 5. Members of the committee shall receive no compensation but may be reimbursed for reasonable and necessary expenses associated with the performance of their official duties.
- 6. Until such time as the joint committee makes its final report, the department of natural resources shall not issue any permit for a new nonsource separated material recovery facility, except that the department shall be able to issue permits under this section after January 1, 2011.
- 37.970. 1. It shall be the policy of each state department to carry out its mission with full transparency to the public. Any data collected in the course of its duties shall be made available to the public in a timely fashion. Data, reports, and other information resulting from any activities conducted by the department in the course of its duties shall be easily accessible by any member of the public.
- 2. Each department shall broadly interpret any request for information under section 610.023:
- 9 (1) Even if such request for information does not use the words 10 "sunshine request", "open records request", "public records request", or 11 any such similar wording;
- 12 (2) Even if the communication is simply an inquiry as to the 13 availability or existence of data or information; and
- 14 (3) Regardless of the format in which the communication is 15 made, including electronic mail, facsimile, internet, postal mail, in 16 person, telephone, or any other format.
- 3. Any failure by a department to release information shall, in addition to any other applicable violation of law, be considered a violation of the department's policy under this section and shall constitute a breach of the public's trust.
- 4. This section shall not be construed to limit or exceed the requirements of the provisions in chapter 610.
- 67.2800. 1. Sections 67.2800 to 67.2835 shall be known and may 2 be cited as the "Property Assessment Clean Energy Act".
- 3 2. As used in sections 67.2800 to 67.2835, the following words and

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4 terms shall mean:

- 5 (1) "Assessment contract", a contract entered into between a 6 clean energy development board and a property owner under which the 7 property owner agrees to pay an annual assessment for a period of up 8 to twenty years in exchange for financing of an energy efficiency 9 improvement or a renewable energy improvement;
- 10 (2) "Authority", the state environmental improvement and energy 11 resources authority established under section 260.010;
- 12 (3) "Bond", any bond, note, or similar instrument issued by or on 13 behalf of a clean energy development board;
 - (4) "Clean energy conduit financing", the financing of energy efficiency improvements or renewable energy improvements for a single parcel of property or a unified development consisting of multiple adjoining parcels of property under section 67.2825;
- 18 (5) "Clean energy development board", a board formed by one or 19 more municipalities under section 67.2810;
- 20 (6) "Energy efficiency improvement", any acquisition, 21 installation, or modification on or of publicly or privately owned 22 property designed to reduce the energy consumption of such property, 23 including but not limited to:
- 24 (a) Insulation in walls, roofs, attics, floors, foundations, and 25 heating and cooling distribution systems;
- 26 (b) Storm windows and doors, multiglazed windows and doors, 27 heat-absorbing or heat-reflective windows and doors, and other window 28 and door improvements designed to reduce energy consumption;
 - (c) Automatic energy control systems;
- (d) Heating, ventilating, or air conditioning distribution system
 modifications and replacements;
 - (e) Caulking and weatherstripping;
 - (f) Replacement or modification of lighting fixtures to increase energy efficiency of the lighting system without increasing the overall illumination of the building unless the increase in illumination is necessary to conform to applicable state or local building codes;
- 37 (g) Energy recovery systems; and
- 38 (h) Daylighting systems;
- 39 (7) "Municipality", any county, city, or incorporated town or 40 village of this state;

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- (8) "Project", any energy efficiency improvement or renewable 41 42 energy improvement;
- 43 (9) "Property assessed clean energy local finance fund", a fund that may be established by the authority for the purpose of making 44 loans to clean energy development boards to establish and maintain 45 property assessed clean energy programs; 46
- (10) "Property assessed clean energy program", a program 47 established by a clean energy development board to finance energy 48 efficiency improvements or renewable energy improvements under 49 section 67.2820; 50
- (11) "Renewable energy improvement", any acquisition and installation of a fixture, product, system, device, or combination thereof 52on publicly or privately owned property that produces energy from 53renewable resources, including, but not limited to photovoltaic systems, 54solar thermal systems, wind systems, biomass systems, or geothermal systems.
- 3. All projects undertaken under sections 67.2800 to 67.2835 are 57 58subject to the applicable municipality's ordinances and regulations, including, but not limited to those ordinances and regulations 59concerning zoning, subdivision, building, fire safety, and historic or 61 architectural review.
 - 67.2805. 1. The authority may, $\mathbf{a}\mathbf{s}$ needed, promulgate administrative rules and regulations relating to the following:
- 3 (1) Guidelines and specifications for administering the property assessed clean energy local finance fund; and 4
- (2) Any clarification to the definitions of energy efficiency 6 improvement and renewable energy improvement as the authority may determine is necessary or advisable.
- 2. Any rule or portion of a rule, as that term is defined in section 8 9 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of 10 the provisions of chapter 536 and, if applicable, section 536.028. This 11 section and chapter 536 are nonseverable and if any of the powers 1213 vested with the general assembly under chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently 14 held unconstitutional, then the grant of rulemaking authority and any 15rule proposed or adopted after August 28, 2010, shall be invalid and

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- 67.2810. 1. One or more municipalities may form clean energy development boards for the purpose of exercising the powers described in sections 67.2800 to 67.2835. Each clean energy development board shall consist of not less than three members, as set forth in the ordinance or order establishing the clean energy development board. Members shall serve terms as set forth in the ordinance or order establishing the clean energy development board and shall be appointed:
- 9 (1) If only one municipality is participating in the clean energy 10 development board, by the chief elected officer of the municipality with 11 the consent of the governing body of the municipality; or
- 12 (2) If more than one municipality is participating, in a manner 13 agreed to by all participating municipalities.
- 2. A clean energy development board shall be a political subdivision of the state and shall have all powers necessary and convenient to carry out and effectuate the provisions of sections 67.2800 to 67.2835, including, but not limited to the following:
- 18 (1) To adopt, amend, and repeal bylaws, which are not 19 inconsistent with sections 67.2800 to 67.2835;
 - (2) To adopt an official seal;
 - (3) To sue and be sued;
- 22 (4) To make and enter into contracts and other instruments with 23 public and private entities;
- (5) To accept grants, guarantees, and donations of property, labor, services, and other things of value from any public or private source;
- 27 (6) To employ or contract for such managerial, legal, technical, 28 clerical, accounting, or other assistance it deems advisable;
- 29 (7) To levy and collect special assessments under an assessment 30 contract with a property owner and to record such special assessments 31 as a lien on the property;
- 32 (8) To borrow money from any public or private source and issue 33 bonds and provide security for the repayment of the same;
- 34 (9) To finance a project under an assessment contract;
- 35 (10) To collect reasonable fees and charges in connection with 36 making and servicing assessment contracts and in connection with any

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37 technical, consultative, or project assistance services offered;

- 38 (11) To invest any funds not required for immediate 39 disbursement in obligations of the state of Missouri or of the United 40 States or any agency or instrumentality thereof, or in bank certificates 41 of deposit; provided, however, the limitations on investments provided 42 in this subdivision shall not apply to proceeds acquired from the sale 43 of bonds which are held by a corporate trustee; and
- 44 (12) To take whatever actions necessary to participate in and 45 administer a clean energy conduit financing or a property assessed 46 clean energy program.
 - 3. No later than July first of each year, the clean energy development board shall file with each municipality that participated in the formation of the clean energy development board and with the director of the department of natural resources, an annual report for the preceding calendar year that includes:
- (1) A brief description of each project financed by the clean energy development board during the preceding calendar year, which shall include the physical address of the property, the name or names of the property owner, an itemized list of the costs of the project, and the name of any contractors used to complete the project;
 - (2) The amount of assessments due and the amount collected during the preceding calendar year;
- 59 (3) The amount of clean energy development board 60 administrative costs incurred during the preceding calendar year;
 - (4) The estimated cumulative energy savings resulting from all energy efficiency improvements financed during the preceding calendar year; and
 - (5) The estimated cumulative energy produced by all renewable energy improvements financed during the preceding calendar year.
- 4. No lawsuit to set aside the formation of a clean energy development board or to otherwise question the proceedings related thereto shall be brought after the expiration of sixty days from the effective date of the ordinance or order creating the clean energy development board. No lawsuit to set aside the approval of a project, an assessment contract, or a special assessment levied by a clean energy development board, or to otherwise question the proceedings related thereto shall be brought after the expiration of sixty days from

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74 the date that the assessment contract is executed.

67.2815. 1. A clean energy development board shall not enter into an assessment contract or levy or collect a special assessment for a project without making a finding that there are sufficient resources to complete the project and that the estimated economic benefit expected from the project during the financing period is equal to or greater than the cost of the project.

- 2. An assessment contract shall be executed by the clean energy development board and the benefitted property owner or property owners and shall provide:
- 10 (1) A description of the project, including the estimated cost of 11 the project and details on how the project will either reduce energy 12 consumption or create energy from renewable sources;
 - (2) A mechanism for:
- 14 (a) Verifying the final costs of the project upon its completion; 15 and
- 16 (b) Ensuring that any amounts advanced or otherwise paid by 17 the clean energy development board toward costs of the project will not 18 exceed the final cost of the project;
 - (3) An acknowledgment by the property owner that the property owner has received or will receive a special benefit by financing a project through the clean energy development board that equals or exceeds the total assessments due under the assessment contract;
 - (4) An agreement by the property owner to pay annual special assessments for a period not to exceed twenty years, as specified in the assessment contract;
- (5) A statement that the obligations set forth in the assessment contract, including the obligation to pay annual special assessments, are a covenant that shall run with the land and be obligations upon future owners of such property; and
- (6) An acknowledgment that no subdivision of property subject to the assessment contract shall be valid unless the assessment contract or an amendment thereof divides the total annual special assessment due between the newly subdivided parcels pro rata to the special benefit realized by each subdivided parcel.
- 35 3. The total special assessments levied against a property under an assessment contract shall not exceed the sum of the cost of the

project, including any required energy audits and inspections, or portion thereof financed through the participation in a property assessed clean energy program or clean energy conduit financing, including the costs of any audits or inspections required by the clean energy development board, plus such administration fees, interest, and other financing costs reasonably required by the clean energy development board.

- 4. The clean energy development board shall provide a copy of each signed assessment contract to the local county assessor and county collector and shall cause a copy of such assessment contract to be recorded in the real estate records of the county recorder of deeds.
- 5. Special assessments agreed to under an assessment contract shall be a lien on the property against which it is assessed on behalf of the applicable clean energy development board from the date that each annual assessment under the assessment contract becomes due. Such special assessments shall be collected by the county collector in the same manner and with the same priority as ad valorem real property taxes. Once collected, the county collector shall pay over such special assessment revenues to the clean energy development board in the same manner in which revenues from ad valorem real property taxes are paid to other taxing districts. Such special assessments shall be collected as provided in this subsection from all subsequent property owners, including the state and all political subdivisions thereof, for the term of the assessment contract.
- 6. Any clean energy development board that contracts for outside administrative services to provide financing origination for a project shall offer the right of first refusal to enter into such a contract to a federally insured depository institution with a physical presence in Missouri upon the same terms and conditions as would otherwise be approved by the clean energy development board. Such right of first refusal shall not be applicable to the origination of any transaction that involves the issuance of bonds by the clean energy development board.
- 67.2820. 1. Any clean energy development board may establish a property assessed clean energy program to finance energy efficiency improvements or renewable energy improvements. A property assessed clean energy program shall consist of a program whereby a property owner may apply to a clean energy development board to finance the

costs of a project through annual special assessments levied under an 7 assessment contract.

- 8 2. A clean energy development board may establish application requirements and criteria for project financing approval as it deems necessary to effectively administer such program and ration available 10 funding among projects, including but not limited to requiring projects 11 to meet certain energy efficiency standards. 12
- 13 3. Clean energy development boards shall ensure that any property owner approved by the board to participate in a property 14 assessed clean energy program or clean energy conduit financing under 15 sections 67.2800 to 67.2835 shall have good credit worthiness or shall 16 otherwise be considered a low risk for failure to meet the obligations 17of the program or conduit financing. 18
- 19 4. A clean energy development board may require an initial 20 energy audit conducted by a qualified home energy auditor as defined in subdivision (4) of subsection 1 of section 640.153 as a prerequisite to project financing through a property assessed clean energy program as 2223well as inspections to verify project completion.
- 67.2825. 1. In lieu of financing a project through a property assessed clean energy program, a clean energy development board may seek to finance any number of projects to be installed within a single parcel of property or within a unified development consisting of 5 multiple adjoining parcels of property by participating in a clean energy conduit financing. 6
- 7 2. A clean energy conduit financing shall consist of the issuance of bonds under section 67.2830 payable from the special assessment 8 revenues collected under an assessment contract with the property 10 owner participating in the clean energy conduit financing and any other revenues pledged thereto. 11
 - 67.2830. 1. A clean energy development board may issue bonds payable from special assessment revenues generated by assessment contracts and any other revenues pledged thereto. The bonds shall be authorized by resolution of the clean energy development board, shall bear such date or dates, and shall mature at such time or times as the resolution shall specify, provided that the term of any bonds issued for a clean energy conduit financing shall not exceed twenty years. The bonds shall be in such denomination, bear interest at such rate, be in

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- 9 such form, be issued in such manner, be payable in such place or 10 places, and be subject to redemption as such resolution may 11 provide. Notwithstanding any provision to the contrary under this 12 section, issuance of the bonds shall conform to the requirements of 13 subsection 1 of section 108.170.
- 2. Any bonds issued under this section shall not constitute an indebtedness of the state or any municipality. Neither the state nor any municipality shall be liable on such bonds, and the form of such bonds shall contain a statement to such effect.
 - 67.2835. The director of the department of economic development is authorized to allocate the state's residual share, or any portion thereof, of the national qualified energy conservation bond limitation under Section 54D of the Internal Revenue Code of 1986, as amended, for any purposes described therein to the authority, any clean energy development board, the state, any political subdivision, instrumentality, or other body corporate and politic.
 - 192.1250. The department of health and senior services shall examine the feasibility of implementing a real-time water quality testing system in the state and shall issue a report of its findings to the general assembly by December 31, 2010.

260.005. As used in sections 260.005 to 260.125, the following words and 2 terms mean:

- 3 (1) "Authority", the state environmental improvement and energy 4 resources authority created by sections 260.005 to 260.125;
- 5 (2) "Bonds", bonds issued by the authority pursuant to the provisions of 6 sections 260.005 to 260.125;
- (3) "Cost", the expense of the acquisition of land, rights-of-way, easements and other interests in real property and the expense of acquiring or constructing buildings, improvements, machinery and equipment relating to any project, including the cost of demolishing or removing any existing structures, interest during the construction of any project and engineering, research, legal, consulting and other expenses necessary or incident to determining the feasibility or practicability of any project and carrying out the same, all of which are to be paid out of the proceeds of the bonds or notes authorized by sections 260.005 to
- 16 (4) "Disposal of solid waste or sewage", the entire process of storage,

- 17 collection, transportation, processing and disposal of solid wastes or sewage;
- 18 (5) "Energy conservation", the reduction of energy consumption;
- 19 (6) "Energy efficiency", the increased productivity or effectiveness of
- 20 energy resources use, the reduction of energy consumption, or the use of
- 21 renewable energy sources;
- 22 (7) "Notes", notes issued by the authority pursuant to sections 260.005 to
- 23 260.125;
- 24 (8) "Pollution", the placing of any noxious substance in the air or waters
- 25 or on the lands of this state in sufficient quantity and of such amounts,
- 26 characteristics and duration as to injure or harm the public health or welfare or
- 27 animal life or property;
- 28 (9) "Project", any facility, including land, disposal areas, incinerators,
- 29 buildings, fixtures, machinery, equipment, and devices or modifications to a
- 30 building or facility, acquired or constructed, or to be acquired or constructed for
- 31 the purpose of developing energy resources or preventing or reducing pollution
- 32 or the disposal of solid waste or sewage or providing water facilities or resource
- 33 recovery facilities or carrying out energy efficiency modifications in, but not
- 34 limited to, buildings owned by the state or providing for energy conservation or
- 35 increased energy efficiency or renewable energy;
- 36 (10) "Renewable energy", the production of energy from renewable
- 37 resources, including, but not limited to, photovoltaic systems, solar
- 38 thermal systems, wind systems, biomass systems, or geothermal
- 39 systems;
- 40 (11) "Resource recovery", the recovery of material or energy from solid
- 41 waste;
- 42 [(11)] (12) "Resource recovery facility", any facility at which solid waste
- 43 is processed for the purpose of extracting, converting to energy, or otherwise
- 44 separating and preparing solid waste for reuse;
- 45 [(12)] (13) "Resource recovery system", a solid waste management system
- 46 which provides for collection, separation, recycling, and recovery of solid wastes,
- 47 including disposal of nonrecoverable waste residues;
- 48 [(13)] (14) "Revenues", all rents, installment payments on notes, interest
- 49 on loans, revenues, charges and other income received by the authority in
- 50 connection with any project and any gift, grant, or appropriation received by the
- 51 authority with respect thereto;
- 52 [(14)] (15) "Sewage", any liquid or gaseous waste resulting from

- 53 industrial, commercial, agricultural or community activities in such amounts,
- 54 characteristics and duration as to injure or harm the public health or welfare or
- 55 animal life or property;
- [(15)] (16) "Solid waste", garbage, refuse, discarded materials and
- 57 undesirable solid and semisolid residual matter resulting from industrial,
- 58 commercial, agricultural or community activities in such amounts, characteristics
- 59 and duration as to injure or harm the public health or welfare or animal life or
- 60 property;
- 61 [(16)] (17) "Synthetic fuels", any solid, liquid, or gas or combination
- 62 thereof, which can be used as a substitute for petroleum or natural gas (or any
- 63 derivatives thereof, including chemical feedstocks) and which is produced by
- 64 chemical or physical transformation (other than washing, coking, or desulfurizing)
- 65 of domestic sources of coal, including lignite and peat; shale; tar sands, including
- 66 heavy oils; water as a source of hydrogen only through electrolysis, and mixtures
- 67 of coal and combustible liquids including petroleum; and
- 68 [(17)] (18) "Water facilities", any facilities for the furnishing of water for
- 69 industrial, commercial, agricultural or community purposes including, but not
- 70 limited to, wells, reservoirs, dams, pumping stations, water lines, sewer lines,
- 71 treatment plants, stabilization ponds, storm sewers, related equipment and
- 72 machinery.
 - 260.080. No part of the funds of the authority shall inure to the benefit
 - 2 of or be distributable to its members or other private persons except that the
 - 3 authority is authorized and empowered to pay reasonable compensation for
 - 4 services rendered as herein provided for and to otherwise carry out the
 - provisions of sections 260.005 to 260.125.
 - 260.244. 1. This section shall be known and may be cited as the
- 2 "Missouri Soil Enrichment Initiative".
- 3 2. For purposes of this section, the following terms shall mean:
- 4 (1) "Commercial compost facility" or "commercial composting
- 5 facility", any compost or composting facility that receives financial
- compensation for accepting organic material for composting or from
- 7 the sale of compost produced, excluding local government owned and
- 8 operated compost facilities and compost facilities operated by
- 9 elementary and secondary schools or institutions of higher education;
- 10 (2) "Compost", the end product of a composting process;
- 11 (3) "Composting", the controlled biological decomposition of

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12 organic materials to produce a stable humus-like product;

- (4) "Composting facility" or "compost facility", a solid waste processing facility using a controlled process of microbial degradation of organic material which was not source-separated into a stable, nuisance-free humus-like product;
 - (5) "Department", the Missouri department of natural resources;
- 18 (6) "Local government owned compost facility", any compost 19 facility that is owned and operated by a city or county government or 20 unit of city or county government;
 - (7) "Organic material", matter that comes from a once-living organism and is capable of decay.
 - 3. The department shall maintain a registry of commercial compost facilities and local government owned compost facilities in this state. Such registry shall be easily accessible to the public through the department's website and identify registered compost facilities by location.
- 4. Commercial compost facility owners or operators in operation 28 29 prior to January 1, 2011, shall register and begin paying an annual 30 registration fee to the department no later than January 31, 2011, and 31 thereafter each January thirty-first until the commercial composting 32facility ceases operation and all compost is removed from the facility. The department shall issue the commercial composting facility 33 owner or operator a registration certificate which shall be valid for the 34 calendar year. 35
- 36 5. Commercial compost facility owners and operators commencing operation after January 1, 2011, shall register with the 37 38 department prior to accepting or composting organic material. Each owner or operator of a commercial compost facility registering after 39 January 31, 2011, shall pay an initial prorated annual registration 40 fee. The prorated annual registration fee shall be determined by 41 dividing the appropriate annual fee in subsection 9 of this section by 42the number of months remaining in the calendar year from the date of 43the application submittal. Such prorated annual registration amount 44 shall be due from the applicant prior to the issuance by the department 45of the registration certificate. The commercial compost facility owner 46 or operator shall thereafter follow the requirements set forth in 47subsection 4 of this section for payment of the annual registration fee. 48

- 49 6. Local government owned compost facilities in operation prior 50 to January 1, 2011, shall register with the department no later than January 31, 2011, and thereafter each January thirty-first until the 51local government owned compost facility ceases operation and all 52compost is removed from the facility. The department shall issue the 53local government owned compost facility owner or operator a 54registration certificate which shall be valid for the calendar year. 55
- 7. Local government owned compost facility owners and 56 operators commencing operation after January 1, 2011, shall register 57with the department prior to accepting or composting organic 58 material. The local government owned compost facility owner and 59operator shall thereafter follow the requirements set forth in 60 subsection 6 of this section for annual registration. 61
- 62 8. The registration and annual fee shall be accompanied by documentation demonstrating the compost facility is in compliance 63 with all applicable permits including exemptions and local planning or 64 zoning ordinances or a statement that local planning and zoning does 6566 not exist in the area and no permits are required.
- 67 9. From each owner and operator of a registered commercial 68 compost facility, the department shall collect a fee based on the 69 combined size of the facility and any affiliated areas such as those used 70 for access roads, buffer zones, and storm water diversion structures as 71 follows:
 - (1) Less than or equal to five acres, five hundred dollars;
- 73 (2) More than five acres but less than or equal to twenty acres, one thousand dollars; 74
- 75 (3) Greater than twenty acres, two thousand five hundred dollars. 76
- 10. Each registered composting facility owner or operator shall file an annual report with the department. Each owner or operator 78 shall report to the department: the name of the owner and operator; 79 the complete mailing address of the owner and operator, the facility's 80 physical address or addresses, telephone number, the amount of 81 82 organic material received during the prior calendar year, the estimated amount of compostable material on-hand at the facility on the date the 83 annual report is prepared, and a statement certifying the facility and 84 any affiliated transfer facility or facilities are being operated in a 85

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86 manner that prevents nuisances and minimizes anaerobic 87 conditions. Such registered compost facility owners or operators 88 required to pay an annual fee shall submit such fee along with the 89 compost facility's annual report.

- 11. Each commercial composting facility owner or operator shall submit the annual registration fee collected under this section to the department of natural resources for deposit in the solid waste management fund. All such fees shall be used to fund the operating costs of the department's solid waste management program. The provisions of section 33.080 to the contrary notwithstanding, moneys in the account from collection of the annual registration fee shall not lapse to general revenue at the end of each biennium.
- 98 12. The department may examine records and measure acreage 99 used by the commercial compost facility to verify payment of the 100 appropriate annual registration fee established in this section.
- 13. This section shall not apply to agricultural composting facilities or residential composting facilities where the end product is intended entirely for personal use and not for resale.
 - 14. The department may promulgate by rule and regulation procedures to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly under chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2010, shall be invalid and void.
 - 341.230. 1. Within three years of the effective date of this section, any county that contains any portion of a body of water that runs through, adjacent to, or in any way touches any portion of state park or national park property, shall adopt a plumbing code that shall be applicable to both residential and commercial buildings. As used in this section, "body of water" shall have the same meaning as "waters of the state" in section 644.016.
 - 2. Except as provided in subsection 3 of this section, any

- 9 plumbing code adopted under this section shall meet or exceed the
- 10 requirements of a nationally recognized plumbing code, such as that
- 11 contained in the Uniform Building Code or the Standard Plumbing
- 12 Code.
- 3. Buildings or structures intended for agricultural use shall not
- 14 be required to comply with any plumbing code established under
- 15 subsection 1 of this section.
- 16 4. Any county in compliance with sections 341.090 through
- 17 341.220 shall be deemed to be in compliance with this section.
 - 386.210. 1. The commission may confer in person, or by correspondence,
 - 2 by attending conventions, or in any other way, with the members of the public,
 - 3 any public utility or similar commission of this and other states and the United
 - 4 States of America, or any official, agency or instrumentality thereof, on any
- 5 matter relating to the performance of its duties.
- 6 2. Such communications may address any issue that at the time of such
- 7 communication is not the subject of a case that has been filed with the
- 8 commission.
- 9 3. Such communications may also address substantive or procedural
- 10 matters that are the subject of a pending filing or case in which no evidentiary
- 11 hearing has been scheduled, provided that the communication:
- 12 (1) Is made at a public agenda meeting of the commission where such
- 13 matter has been posted in advance as an item for discussion or decision;
- 14 (2) Is made at a forum where representatives of the public utility affected
- 15 thereby, the office of public counsel, and any other party to the case are present;
- 16 or
- 17 (3) If made outside such agenda meeting or forum, is subsequently
- 18 disclosed to the public utility, the office of the public counsel, and any other party
- 19 to the case in accordance with the following procedure:
- 20 (a) If the communication is written, the person or party making the
- 21 communication shall no later than the next business day following the
- 22 communication file a copy of the written communication in the official case file
- 23 of the pending filing or case and serve it upon all parties of record;
- 24 (b) If the communication is oral, the party making the oral communication
- 25 shall no later than the next business day following the communication file a
- 26 memorandum in the official case file of the pending case disclosing the
 - 77 communication and serve such memorandum on all parties of record. The

28 memorandum must contain a summary of the substance of the communication 29 and not merely a listing of the subjects covered.

- 4. Nothing in this section or any other provision of law shall be construed as imposing any limitation on the free exchange of ideas, views, and information between any person and the commission or any commissioner, provided that such communications relate to matters of general regulatory policy and do not address the merits of the specific facts, evidence, claims, or positions presented or taken in a pending case unless such communications comply with the provisions of subsection 3 of this section.
- 5. The commission and any commissioner may also advise any member of the general assembly or other governmental official of the issues or factual allegations that are the subject of a pending case, provided that the commission or commissioner does not express an opinion as to the merits of such issues or allegations, and may discuss in a public agenda meeting with parties to a case in which an evidentiary hearing has been scheduled, any procedural matter in such case or any matter relating to a unanimous stipulation or agreement resolving all of the issues in such case.
- 6. The commission may enter into and establish fair and equitable cooperative agreements or contracts with or act as an agent or licensee for the United States of America, or any official, agency or instrumentality thereof, or any public utility or similar commission of other states, that are proper, expedient, fair and equitable and in the interest of the state of Missouri and the citizens thereof, for the purpose of carrying out its duties pursuant to section 386.250 as limited and supplemented by section 386.030 and to that end the commission may receive and disburse any contributions, grants or other financial assistance as a result of or pursuant to such agreements or contracts. Any contributions, grants or other financial assistance so received shall be deposited in the public service commission utility fund or the state highway commission fund depending upon the purposes for which they are received.
- 7. The commission may make joint investigations, hold joint hearings within or without the state, and issue joint or concurrent orders in conjunction or concurrence with any railroad, public utility or similar commission, of other states or the United States of America, or any official, agency or any instrumentality thereof, except that in the holding of such investigations or hearings, or in the making of such orders, the commission shall function under agreements or contracts between states or under the concurrent power of states

to regulate interstate commerce, or as an agent of the United States of America, 64 65 or any official, agency or instrumentality thereof, or otherwise.

66 8. The commission may appear in any proceeding at the Federal Energy Regulatory Commission, the Nuclear Regulatory Commission, 67 the Federal Communications Commission, or any other federal 68 administrative agency that has jurisdiction over a utility that is regulated by the commission or whose decisions may affect utility rates 70 or service in Missouri. The commission may also file or otherwise 71participate in appeals from such federal administrative agencies. This 72subsection applies to all proceedings pending at the time of, or 73commenced after, the effective date of this section.

640.085. The functions and duties of the department of natural resources' environmental services program are hereby transferred to the department of health and senior services. All necessary administrative and staff changes associated with this transfer shall be completed by June 30, 2012.

640.100. 1. The safe drinking water commission created in section 2 640.105 shall promulgate rules necessary for the implementation, administration and enforcement of sections 640.100 to 640.140 and the federal Safe Drinking Water Act as amended. 4

2. No standard, rule or regulation or any amendment or repeal thereof 5 shall be adopted except after a public hearing to be held by the commission after at least thirty days' prior notice in the manner prescribed by the rulemaking 8 provisions of chapter 536, RSMo, and an opportunity given to the public to be heard; the commission may solicit the views, in writing, of persons who may be affected by, knowledgeable about, or interested in proposed rules and regulations, 10 or standards. Any person heard or registered at the hearing, or making written 11 12request for notice, shall be given written notice of the action of the commission 13 with respect to the subject thereof. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is promulgated to administer and enforce 14sections 640.100 to 640.140 shall become effective only if the agency has fully 15complied with all of the requirements of chapter 536, RSMo, including but not 16 limited to section 536.028, RSMo, if applicable, after June 9, 1998. All 17rulemaking authority delegated prior to June 9, 1998, is of no force and effect and 18 repealed as of June 9, 1998, however, nothing in this section shall be interpreted 19 to repeal or affect the validity of any rule adopted or promulgated prior to June

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21 9, 1998. If the provisions of section 536.028, RSMo, apply, the provisions of this 22 section are nonseverable and if any of the powers vested with the general assembly pursuant to section 536.028, RSMo, to review, to delay the effective 2324date, or to disapprove and annul a rule or portion of a rule are held unconstitutional or invalid, the purported grant of rulemaking authority and any 2526 rule so proposed and contained in the order of rulemaking shall be invalid and 27 void, except that nothing in this chapter or chapter 644, RSMo, shall affect the 28 validity of any rule adopted and promulgated prior to June 9, 1998.

3. The commission shall promulgate rules and regulations for the certification of public water system operators, backflow prevention assembly testers and laboratories conducting tests pursuant to sections 640.100 to 640.140. Any person seeking to be a certified backflow prevention assembly tester shall satisfactorily complete standard, nationally recognized written and performance examinations designed to ensure that the person is competent to determine if the assembly is functioning within its design specifications. Any such state certification shall satisfy any need for local certification as a backflow prevention assembly tester. However, political subdivisions may set additional testing standards for individuals who are seeking to be certified as backflow prevention assembly testers. Notwithstanding any other provision of law to the contrary, agencies of the state or its political subdivisions shall only require carbonated beverage dispensers to conform to the backflow protection requirements established in the National Sanitation Foundation standard eighteen, and the dispensers shall be so listed by an independent testing laboratory. The commission shall promulgate rules and regulations for collection of samples and analysis of water furnished by municipalities, corporations, companies, state establishments, federal establishments or individuals to the public. The [department of natural resources or the] department of health and senior services shall, at the request of any supplier, make any analyses or tests required pursuant to the terms of section 192.320, RSMo, and sections 640.100 to 640.140. The department shall collect fees to cover the reasonable cost of laboratory services[, both within] provided by the [department of natural resources and the department of health and senior services, laboratory certification and program administration as required by sections 640.100 to 640.140. The laboratory services and program administration fees pursuant to this subsection shall not exceed two hundred dollars for a supplier supplying less than four thousand one hundred service connections, three hundred dollars for

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57 supplying less than seven thousand six hundred service connections, five hundred 58 dollars for supplying seven thousand six hundred or more service connections, and five hundred dollars for testing surface water. Such fees shall be deposited 59 60 in the safe drinking water fund as specified in section 640.110. The analysis of all drinking water required by section 192.320, RSMo, and sections 640.100 to 61 62 640.140 shall be made by the [department of natural resources laboratories,] 63 department of health and senior services laboratories or laboratories certified by the department of [natural resources] health and senior services. 64

- 4. The department of natural resources shall establish and maintain an inventory of public water supplies and conduct sanitary surveys of public water systems. Such records shall be available for public inspection during regular business hours.
- 5. (1) For the purpose of complying with federal requirements for maintaining the primacy of state enforcement of the federal Safe Drinking Water Act, the department is hereby directed to request appropriations from the general revenue fund and all other appropriate sources to fund the activities of the public drinking water program and in addition to the fees authorized pursuant to subsection 3 of this section, an annual fee for each customer service connection with a public water system is hereby authorized to be imposed upon all customers of public water systems in this state. The fees collected shall not exceed the amounts specified in this subsection and the commission may set the fees, by rule, in a lower amount by proportionally reducing all fees charged pursuant to this subsection from the specified maximum amounts. Reductions shall be roughly proportional but in each case shall be divisible by twelve. Each customer of a public water system shall pay an annual fee for each customer service connection.
- (2) The annual fee per customer service connection for unmetered customers and customers with meters not greater than one inch in size shall be 84 based upon the number of service connections in the water system serving that 86 customer, and shall not exceed:

87	1 to 1,000 connections	\$ 3.24
88	1,001 to 4,000 connections	3.00
89	4,001 to 7,000 connections	2.76
90	7,001 to 10,000 connections	2.40
91	10,001 to 20,000 connections	2.16
92	20,001 to 35,000 connections	1.92

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93	35,001 to 50,000 connections	1.56
94	50,001 to 100,000 connections	1.32
95	More than 100,000 connections	1.08

- 96 (3) The annual user fee for customers having meters greater than one inch 97 but less than or equal to two inches in size shall not exceed seven dollars and 98 forty-four cents; for customers with meters greater than two inches but less than 99 or equal to four inches in size shall not exceed forty-one dollars and sixteen cents; 100 and for customers with meters greater than four inches in size shall not exceed 101 eighty-two dollars and forty-four cents.
 - (4) Customers served by multiple connections shall pay an annual user fee based on the above rates for each connection, except that no single facility served by multiple connections shall pay a total of more than five hundred dollars per year.
 - 6. Fees imposed pursuant to subsection 5 of this section shall become effective on August 28, 2006, and shall be collected by the public water system serving the customer beginning September 1, 2006, and continuing until such time that the safe drinking water commission, at its discretion, specifies a lower amount under subdivision (1) of subsection 5 of this section. The commission shall promulgate rules and regulations on the procedures for billing, collection and delinquent payment. Fees collected by a public water system pursuant to subsection 5 of this section are state fees. The annual fee shall be enumerated separately from all other charges, and shall be collected in monthly, quarterly or annual increments. Such fees shall be transferred to the director of the department of revenue at frequencies not less than quarterly. Two percent of the revenue arising from the fees shall be retained by the public water system for the purpose of reimbursing its expenses for billing and collection of such fees.
 - 7. Imposition and collection of the fees authorized in subsection 5 of this section shall be suspended on the first day of a calendar quarter if, during the preceding calendar quarter, the federally delegated authority granted to the safe drinking water program within the department of natural resources to administer the Safe Drinking Water Act, 42 U.S.C. 300g-2, is withdrawn. The fee shall not be reinstated until the first day of the calendar quarter following the quarter during which such delegated authority is reinstated.
- 126 8. Fees imposed pursuant to subsection 5 of this section shall expire on 127 September 1, 2012.

- benevolent organization, if the system does not regularly serve an average of one hundred persons or more at least sixty days out of the year and the system does not serve a school or day-care facility, shall be exempt from all rules relating to well construction except any rules established under sections 256.600 to 256.640 applying to multifamily wells, unless such wells or pump installations for such wells are determined to present a threat to groundwater or public health.
- 2. If the system incurs three or more total coliform maximum contaminant level violations in a twelve-month period or one acute maximum contaminant level violation, the system owner shall either 11 provide an alternate source of water, eliminate the source of 12contamination, or provide treatment that reliably achieves at least 13 4-log (ninety-nine and ninety-nine one-hundredths percent) treatment 14of viruses. 15
 - 640.128. If an entity that holds a permit issued under chapter 644 or under sections 640.100 to 640.140 voluntarily reports to the department of natural resources the results of any water quality testing conducted by the entity, and such results indicate a potential risk to public health, the department shall immediately notify the local public health authority and the department of health and senior services.
- 644.200. 1. On and after July 1, 2012, any laboratory testing conducted by or on behalf of the state of Missouri for any purpose authorized under this chapter or under sections 640.100 to 640.140 shall be conducted either by a laboratory operated by the department of health and senior services or by a laboratory certified by the department of health and senior services. 6
- 7 2. Notwithstanding any provision of chapter 610 to the contrary, and regardless of the implications or circumstances of the testing 8 results, the department of health and senior services shall make the results of any laboratory testing under subsection 1 of this section 10 available to the public within forty-eight hours of its receipt of the 11 results. It shall not be considered a violation of this section for the 12results to be posted the following Monday if such results are received 13 14anytime after 5:00 p.m. on Wednesday through Friday of any given 15 week.
- 3. If the samples being tested under this section were collected 16 by any entity other than the department of health and senior services,

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- then the results under subsection 2 of this section shall also be directly 18 19 transmitted by the department of health and senior services to the entity that collected the samples within forty-eight hours of the 20 department's receipt of the results. It shall not be considered a 21violation of this section for the results to be transmitted the following 22Monday if such results are received anytime after 5:00 p.m. on 23 Wednesday through Friday of any given week. 24
 - 4. The requirements of subsections 2 and 3 of this section shall apply even if the laboratory test results indicate a potential risk to public health or to the environment. In the event of any indication of such potential risk, the department of health and senior services may work in cooperation with the department of natural resources to assess the risk and develop a plan to address the problem.

701.033. 1. The department shall have the power and duty to:

- 2 (1) Promulgate such rules and regulations as are necessary to carry out the provisions of sections 701.025 to 701.059; 3
- 4 (2) Cause investigations to be made when a violation of any provision of 5 sections 701.025 to 701.059 or the on-site sewage disposal rules promulgated under sections 701.025 to 701.059 is reported to the department; 6
- 7 (3) Enter at reasonable times and determining probable cause that a violation exists, upon private or public property for the purpose of inspecting and 9 investigating conditions relating to the administration and enforcement of sections 701.025 to 701.059 and the on-site sewage disposal rules promulgated 10 under sections 701.025 to 701.059;
- 12 (4) Authorize the trial or experimental use of innovative systems for on-site sewage disposal, after consultation with the staff of the Missouri clean 13 water commission, upon such conditions as the department may set; 14
 - (5) Provide technical assistance, guidance, and oversight to any other administrative authority in the state on the regulation and enforcement of standards for individual on-site sewage disposal systems, at the request of such other administrative authority, or when the department determines that such assistance, guidance, or oversight is necessary to prevent a violation of sections 701.025 to 701.059.
- 212. No rule or portion of a rule promulgated under the authority of sections 701.025 to 701.059 shall become effective unless it has been promulgated 22pursuant to the provisions of section 536.024, RSMo. 23

Section B. Because of the immediate need for public service commissioners to be able to appear at federal hearings and intervene in federal cases, the repeal and reenactment of section 386.210 of this act is deemed necessary for the immediate preservation of the public health, welfare, peace and safety, and is hereby declared to be an emergency act within the meaning of the constitution, and the repeal and reenactment of section 386.210 of this act shall be in full force and effect upon its passage and approval.

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