

FIRST REGULAR SESSION

SENATE BILL NO. 114

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR BERNSKOETTER.

0892S.01I

ADRIANE D. CROUSE, Secretary

AN ACT

To repeal sections 8.800, 8.805, 8.830, 8.843, 23.295, 30.750, 67.2835, 135.311, 135.710, 135.950, 178.585, 186.019, 290.257, 374.007, 386.040, 386.071, 386.700, 386.710, 386.890, 393.1025, 414.400, 414.406, 414.417, 414.510, 620.010, 620.035, 620.484, 620.490, 620.511, 620.512, 620.513, 640.153, 640.157, 640.160, 640.651, 640.653, 660.135, 701.500, and 701.509, RSMo, and section 167.910 as enacted by house bill no. 1606, ninety-ninth general assembly, second regular session, and section 167.910 as enacted by house bill no. 1415, ninety-ninth general assembly, second regular session, and to enact in lieu thereof forty new sections relating to the reorganization and renaming of certain state agencies.

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

Section A. Sections 8.800, 8.805, 8.830, 8.843, 23.295,
2 30.750, 67.2835, 135.311, 135.710, 135.950, 178.585, 186.019,
3 290.257, 374.007, 386.040, 386.071, 386.700, 386.710, 386.890,
4 393.1025, 414.400, 414.406, 414.417, 414.510, 620.010, 620.035,
5 620.484, 620.490, 620.511, 620.512, 620.513, 640.153, 640.157,
6 640.160, 640.651, 640.653, 660.135, 701.500, and 701.509, RSMo,
7 and section 167.910 as enacted by house bill no. 1606, ninety-
8 ninth general assembly, second regular session, and section
9 167.910 as enacted by house bill no. 1415, ninety-ninth general
10 assembly, second regular session, are repealed and forty new
11 sections enacted in lieu thereof, to be known as sections 8.800,
12 8.805, 8.830, 8.843, 23.295, 30.750, 67.2835, 135.311, 135.710,
13 135.950, 167.910, 173.2800, 173.2805, 173.2850, 173.2855,
14 173.2860, 178.585, 186.019, 290.257, 374.007, 386.040, 386.071,

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

15 386.700, 386.710, 386.890, 393.1025, 414.400, 414.406, 414.417,
16 414.510, 620.010, 640.021, 640.153, 640.157, 640.160, 640.651,
17 640.653, 660.135, 701.500, and 701.509, to read as follows:

8.800. As used in sections 8.800 to 8.825, the
2 following terms mean:

3 (1) "Builder", the prime contractor that hires and
4 coordinates building subcontractors or if there is no prime
5 contractor, the contractor that completes more than fifty
6 percent of the total construction work performed on the
7 building. Construction work includes, but is not limited
8 to, foundation, framing, wiring, plumbing and finishing work;

9 (2) "Department", the department of [economic
10 development] **natural resources**;

11 (3) "Designer", the architect, engineer, landscape
12 architect, builder, interior designer or other person who
13 performs the actual design work or is under the direct
14 supervision and responsibility of the person who performs
15 the actual design work;

16 (4) "District heating and cooling systems", heat pump
17 systems which use waste heat from factories, sewage
18 treatment plants, municipal solid waste incineration,
19 lighting and other heat sources in office buildings or which
20 use ambient thermal energy from sources including
21 temperature differences in rivers to provide regional
22 heating or cooling;

23 (5) "Division", the division of facilities management,
24 design and construction;

25 (6) "Energy efficiency", the increased productivity or
26 effectiveness of energy resources use, the reduction of
27 energy consumption, or the use of renewable energy sources;

28 (7) "Gray water", all domestic wastewater from a state
29 building except wastewater from urinals, toilets, laboratory
30 sinks, and garbage disposals;

31 (8) "Life cycle costs", the costs associated with the
32 initial construction or renovation and the proposed energy
33 consumption, operation and maintenance costs over the useful
34 life of a state building or over the first twenty-five years
35 after the construction or renovation is completed;

36 (9) "Public building", a building owned or operated by
37 a governmental subdivision of the state, including, but not
38 limited to, a city, county or school district;

39 (10) "Renewable energy source", a source of thermal,
40 mechanical or electrical energy produced from solar, wind,
41 low-head hydropower, biomass, hydrogen or geothermal
42 sources, but not from the incineration of hazardous waste,
43 municipal solid waste or sludge from sewage treatment
44 facilities;

45 (11) "State agency", a department, commission,
46 authority, office, college or university of this state;

47 (12) "State building", a building owned by this state
48 or an agency of this state;

49 (13) "Substantial renovation" or "substantially
50 renovated", modifications that will affect at least fifty
51 percent of the square footage of the building or
52 modifications that will cost at least fifty percent of the
53 building's fair market value.

 8.805. 1. For the first three years of each completed
2 energy efficiency project for state buildings, to the extent
3 that there are energy savings beyond payment of the
4 financing obligation, required reserves and other expenses
5 associated with project financing, one-half of the energy
6 savings shall be placed in the energy analyses account,

7 created in section 8.807, and one-half shall revert to the
8 general revenue fund. The division, in conjunction with the
9 department, shall establish criteria for determining
10 projected savings from energy efficiency projects in state
11 buildings. The division, in conjunction with all state
12 agencies, shall establish criteria for determining the
13 actual savings which result from a specific energy
14 efficiency project.

15 2. Beginning January 15, 1997, and annually
16 thereafter, the office of administration and the department
17 of [economic development] **natural resources** shall file a
18 joint report to the house committee on energy and
19 environment, the senate committee on energy and environment,
20 or their successor committees, and the governor on the
21 identification of, planning for and implementation of energy
22 efficiency projects in state buildings.

8.830. For purposes of sections 8.830 to 8.851, the
2 following terms mean:

3 (1) "Department", the department of [economic
4 development] **natural resources**;

5 (2) "Director", the director of the department of
6 [economic development] **natural resources**;

7 (3) "Division", the division of facilities management,
8 design and construction;

9 (4) "Public building", a building owned or operated by
10 a governmental subdivision of the state, including, but not
11 limited to, a city, county or school district;

12 (5) "State building", a building owned or operated by
13 the state, a state agency or department, a state college or
14 a state university.

8.843. There is hereby established an interagency
2 advisory committee on energy cost reduction and savings.

3 The committee shall consist of the commissioner of
4 administration, the director of the division of facilities
5 management, design and construction, the director of the
6 department of [economic development] **natural resources**, the
7 director of the environmental improvement and energy
8 resources authority, the director of the division of energy,
9 the director of the department of transportation, the
10 director of the department of conservation and the
11 commissioner of higher education. The committee shall
12 advise the department on the development of the minimum
13 energy efficiency standard and state building energy
14 efficiency rating system and shall assist the office of
15 administration in implementing sections 8.833 and 8.835.

23.295. If an employee is displaced because a program
2 is sunset, reorganized, or continued, the state agency and
3 the division of workforce development in the department of
4 [economic development] **higher education and workforce**
5 **development** shall make a reasonable effort to relocate the
6 displaced employee.

30.750. As used in sections 30.750 to 30.765, the
2 following terms mean:

- 3 (1) "Eligible agribusiness", a person engaged in the
4 processing or adding of value to agricultural products
5 produced in Missouri;
- 6 (2) "Eligible alternative energy consumer", an
7 individual who wishes to borrow moneys for the purchase,
8 installation, or construction of facilities or equipment
9 related to the production of fuel or power primarily for the
10 individual's own use from energy sources other than fossil
11 fuels, including but not limited to solar, hydroelectric,
12 wind, and qualified biomass;

(3) "Eligible alternative energy operation", a business enterprise engaged in the production of fuel or power from energy sources other than fossil fuels, including but not limited to solar, hydroelectric, wind, and qualified biomass. Such business enterprise shall conform to the characteristics of paragraphs (a), (b), and (d) of subdivision (6) of this section;

(4) "Eligible beginning farmer":

(a) For any beginning farmer who seeks to participate in the linked deposit program alone, a farmer who:

a. Is a Missouri resident;

b. Wishes to borrow for a farm operation located in Missouri;

c. Is at least eighteen years old; and

d. In the preceding five years has not owned, either directly or indirectly, farm land greater than fifty percent of the average size farm in the county where the proposed farm operation is located or farm land with an appraised value greater than four hundred fifty thousand dollars. A farmer who qualifies as an eligible farmer under this provision may utilize the proceeds of a linked deposit loan to purchase agricultural land, farm buildings, new and used farm equipment, livestock and working capital;

(b) For any beginning farmer who is participating in both the linked deposit program and the beginning farmer loan program administered by the Missouri [agriculture] **agricultural** and small business development authority, a farmer who:

a. Qualifies under the definition of a beginning farmer utilized for eligibility for federal tax-exempt financing, including the limitations on the use of loan proceeds; and

45 b. Meets all other requirements established by the
46 Missouri [agriculture] **agricultural** and small business
47 development authority;

48 (5) "Eligible facility borrower", a borrower qualified
49 under section 30.860 to apply for a reduced-rate loan under
50 sections 30.750 to 30.765;

51 (6) "Eligible farming operation", any person engaged
52 in farming in an authorized farm corporation, family farm,
53 or family farm corporation as defined in section 350.010
54 that has all of the following characteristics:

55 (a) Is headquartered in this state;

56 (b) Maintains offices, operating facilities, or
57 farming operations and transacts business in this state;

58 (c) Employs less than ten employees;

59 (d) Is organized for profit;

60 (7) "Eligible governmental entity", any political
61 subdivision of the state seeking to finance capital
62 improvements, capital outlay, or other significant programs
63 through an eligible lending institution;

64 (8) "Eligible higher education institution", any
65 approved public or private institution as defined in section
66 173.205;

67 (9) "Eligible job enhancement business", a new,
68 existing, or expanding firm operating in Missouri, or as a
69 condition of accepting the linked deposit, will locate a
70 facility or office in Missouri associated with said linked
71 deposit, which employs ten or more employees in Missouri on
72 a yearly average and which, as nearly as possible, is able
73 to establish or retain at least one job in Missouri for each
74 fifty thousand dollars received from a linked deposit loan
75 except when the applicant can demonstrate significant costs
76 for equipment, capital outlay, or capital improvements

77 associated with the physical expansion, renovation, or
78 modernization of a facility or equipment. In such cases,
79 the maximum amount of the linked deposit shall not exceed
80 fifty thousand dollars per job created or retained plus the
81 initial cost of the physical expansion, renovation or
82 capital outlay;

83 (10) "Eligible lending institution", a financial
84 institution that is eligible to make commercial or
85 agricultural or student loans or discount or purchase such
86 loans, is a public depository of state funds or obtains its
87 funds through the issuance of obligations, either directly
88 or through a related entity, eligible for the placement of
89 state funds under the provisions of Section 15, Article IV,
90 Constitution of Missouri, and agrees to participate in the
91 linked deposit program;

92 (11) "Eligible livestock operation", any person
93 engaged in production of livestock or poultry in an
94 authorized farm corporation, family farm, or family farm
95 corporation as defined in section 350.010;

96 (12) "Eligible locally owned business", any person
97 seeking to establish a new firm, partnership, cooperative
98 company, or corporation that shall retain at least fifty-one
99 percent ownership by residents in a county in which the
100 business is headquartered, that consists of the following
101 characteristics:

102 (a) The county has a median population of twelve
103 thousand five hundred or less; and

104 (b) The median income of residents in the county are
105 equal to or less than the state median income; or

106 (c) The unemployment rate of the county is equal to or
107 greater than the state's unemployment rate;

(13) "Eligible marketing enterprise", a business enterprise operating in this state which is in the process of marketing its goods, products or services within or outside of this state or overseas, which marketing is designed to increase manufacturing, transportation, mining, communications, or other enterprises in this state, which has proposed its marketing plan and strategy to the department of economic development and which plan and strategy has been approved by the department for purposes of eligibility pursuant to sections 30.750 to 30.765. Such business enterprise shall conform to the characteristics of paragraphs (a), (b) and (d) of subdivision (6) of this section and also employ less than twenty-five employees;

(14) "Eligible multitenant development enterprise", a new enterprise that develops multitenant space for targeted industries as determined by the department of economic development and approved by the department for the purposes of eligibility pursuant to sections 30.750 to 30.765;

(15) "Eligible residential property developer", an individual who purchases and develops a residential structure of either two or four units, if such residential property developer uses and agrees to continue to use, for at least the five years immediately following the date of issuance of the linked deposit loan, one of the units as his principal residence or if such person's principal residence is located within one-half mile from the developed structure and such person agrees to maintain the principal residence within one-half mile of the developed structure for at least the five years immediately following the date of issuance of the linked deposit loan;

138 (16) "Eligible residential property owner", a person,
139 firm or corporation who purchases, develops or rehabilitates
140 a multifamily residential structure;

141 (17) "Eligible small business", a person engaged in an
142 activity with the purpose of obtaining, directly or
143 indirectly, a gain, benefit or advantage and which conforms
144 to the characteristics of paragraphs (a), (b) and (d) of
145 subdivision (6) of this section, and also employs less than
146 one hundred employees or an eligible veteran-owned small
147 business as defined in subdivision (19) of this section;

148 (18) "Eligible student borrower", any person
149 attending, or the parent of a dependent undergraduate
150 attending, an eligible higher education institution in
151 Missouri who may or may not qualify for need-based student
152 financial aid calculated by the federal analysis called
153 Congressional Methodology Formula pursuant to 20 U.S.C.
154 1078, as amended (the Higher Education Amendments of 1986);

155 (19) "Eligible veteran-owned small business", any
156 business owned by an honorably discharged veteran and
157 Missouri resident who has agreed to locate his or her
158 business in Missouri for a minimum of three years and
159 employs less than one hundred employees, a majority of whom
160 are Missouri residents;

161 (20) "Eligible water supply system", a water system
162 which serves fewer than fifty thousand persons and which is
163 owned and operated by:

164 (a) A public water supply district established
165 pursuant to chapter 247; or

166 (b) A municipality or other political subdivision; or

167 (c) A water corporation;

and which is certified by the department of natural resources in accordance with its rules and regulations to have suffered a significant decrease in its capacity to meet its service needs as a result of drought;

(21) "Farming", using or cultivating land for the production of agricultural crops, livestock or livestock products, forest products, poultry or poultry products, milk or dairy products, or fruit or other horticultural products;

(22) "Linked deposit", a certificate of deposit, or in the case of production credit associations, the subscription or purchase outright of obligations described in Section 15, Article IV, Constitution of Missouri, placed by the state treasurer with an eligible lending institution at rates otherwise provided by law in section 30.758, provided the institution agrees to lend the value of such deposit, according to the deposit agreement provided in sections 30.750 to 30.765, to eligible multitenant development enterprises, eligible small businesses, eligible alternative energy operations, eligible alternative energy consumers, eligible locally owned businesses, farming operations, eligible job enhancement businesses, eligible marketing enterprises, eligible residential property developers, eligible residential property owners, eligible governmental entities, eligible agribusinesses, eligible beginning farmers, eligible livestock operations, eligible student borrowers, eligible facility borrowers, or eligible water supply systems at below the present borrowing rate applicable to each multitenant development enterprise, small business, alternative energy operation, alternative energy consumer, farming operation, eligible job enhancement business, eligible marketing enterprise, eligible residential property developer, eligible residential

200 property owner, eligible governmental entity, eligible
201 agribusiness, eligible beginning farmer, eligible livestock
202 operation, eligible student borrower, or supply system at
203 the time of the deposit of state funds in the institution;

204 (23) "Market rate", the interest rate more
205 specifically described in subsection 6 of section 30.260;

206 (24) "Professional forester", any individual who holds
207 a bachelor of science degree in forestry from a regionally
208 accredited college or university with a minimum of two years
209 of professional forest management experience;

210 (25) "Qualified biomass", any agriculture-derived
211 organic material or any wood-derived organic material
212 harvested in accordance with a site-specific forest
213 management plan focused on long-term forest sustainability
214 developed by a professional forester and qualified, in
215 consultation with the conservation commission, by the
216 agriculture and small business development authority;

217 (26) "Water corporation", as such term is defined in
218 section 386.020;

219 (27) "Water system", as such term is defined in
220 section 386.020.

67.2835. The director of the department of [economic
2 development] **natural resources** is authorized to allocate the
3 state's residual share, or any portion thereof, of the
4 national qualified energy conservation bond limitation under
5 Section 54D of the Internal Revenue Code of 1986, as
6 amended, for any purposes described therein to the
7 authority, any clean energy development board, the state,
8 any political subdivision, instrumentality, or other body
9 corporate and politic.

135.311. When applying for a tax credit the wood
2 energy producer shall make application for the credit to the

3 division of energy of the department of [economic
4 development] **natural resources**. The application shall
5 include:

6 (1) The number of tons of processed wood products
7 produced during the preceding calendar year;

8 (2) The name and address of the person to whom
9 processed products were sold and the number of tons sold to
10 each person;

11 (3) Other information which the department of
12 [economic development] **natural resources** reasonably
13 requires. The application shall be received and reviewed by
14 the division of energy of the department of [economic
15 development] **natural resources** and the division shall
16 certify to the department of revenue each applicant which
17 qualifies as a wood energy-producing facility.

135.710. 1. As used in this section, the following
2 terms mean:

3 (1) "Alternative fuel vehicle refueling property",
4 property in this state owned by an eligible applicant and
5 used for storing alternative fuels and for dispensing such
6 alternative fuels into fuel tanks of motor vehicles owned by
7 such eligible applicant or private citizens;

8 (2) "Alternative fuels", any motor fuel at least
9 seventy percent of the volume of which consists of one or
10 more of the following:

11 (a) Ethanol;

12 (b) Natural gas;

13 (c) Compressed natural gas, or CNG;

14 (d) Liquified natural gas, or LNG;

15 (e) Liquified petroleum gas, or LP gas, propane, or
16 autogas;

(f) Any mixture of biodiesel and diesel fuel, without regard to any use of kerosene;

(g) Hydrogen;

(3) "Department", the department of [economic development] **natural resources**;

(4) "Electric vehicle recharging property", property in this state owned by an eligible applicant and used for recharging electric motor vehicles owned by such eligible applicant or private citizens;

(5) "Eligible applicant", a business entity or private citizen that is the owner of an electric vehicle recharging property or an alternative fuel vehicle refueling property;

(6) "Qualified Missouri contractor", a contractor whose principal place of business is located in Missouri and has been located in Missouri for a period of not less than five years;

(7) "Qualified property", an electric vehicle recharging property or an alternative fuel vehicle refueling property which, if constructed after August 28, 2014, was constructed with at least fifty-one percent of the costs being paid to qualified Missouri contractors for the:

(a) Fabrication of premanufactured equipment or process piping used in the construction of such facility;

(b) Construction of such facility; and

(c) General maintenance of such facility during the time period in which such facility receives any tax credit under this section.

If no qualified Missouri contractor is located within seventy-five miles of the property, the requirement that fifty-one percent of the costs shall be paid to qualified Missouri contractors shall not apply.

2. For all tax years beginning on or after January 1, 2015, but before January 1, 2018, any eligible applicant who installs and operates a qualified property shall be allowed a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or due under chapter 147 or chapter 148 for any tax year in which the applicant is constructing the qualified property. The credit allowed in this section per eligible applicant who is a private citizen shall not exceed fifteen hundred dollars or per eligible applicant that is a business entity shall not exceed the lesser of twenty thousand dollars or twenty percent of the total costs directly associated with the purchase and installation of any alternative fuel storage and dispensing equipment or any recharging equipment on any qualified property, which shall not include the following:

- (1) Costs associated with the purchase of land upon which to place a qualified property;
- (2) Costs associated with the purchase of an existing qualified property; or
- (3) Costs for the construction or purchase of any structure.

3. Tax credits allowed by this section shall be claimed by the eligible applicant at the time such applicant files a return for the tax year in which the storage and dispensing or recharging facilities were placed in service at a qualified property, and shall be applied against the income tax liability imposed by chapter 143, chapter 147, or chapter 148 after all other credits provided by law have been applied. The cumulative amount of tax credits which may be claimed by eligible applicants claiming all credits

79 authorized in this section shall not exceed one million
80 dollars in any calendar year, subject to appropriations.

81 4. If the amount of the tax credit exceeds the
82 eligible applicant's tax liability, the difference shall not
83 be refundable. Any amount of credit that an eligible
84 applicant is prohibited by this section from claiming in a
85 taxable year may be carried forward to any of such
86 applicant's two subsequent taxable years. Tax credits
87 allowed under this section may be assigned, transferred,
88 sold, or otherwise conveyed.

89 5. Any qualified property, for which an eligible
90 applicant receives tax credits under this section, which
91 ceases to sell alternative fuel or recharge electric
92 vehicles shall cause the forfeiture of such eligible
93 applicant's tax credits provided under this section for the
94 taxable year in which the qualified property ceased to sell
95 alternative fuel or recharge electric vehicles and for
96 future taxable years with no recapture of tax credits
97 obtained by an eligible applicant with respect to such
98 applicant's tax years which ended before the sale of
99 alternative fuel or recharging of electric vehicles ceased.

100 6. The director of revenue shall establish the
101 procedure by which the tax credits in this section may be
102 claimed, and shall establish a procedure by which the
103 cumulative amount of tax credits is apportioned equally
104 among all eligible applicants claiming the credit. To the
105 maximum extent possible, the director of revenue shall
106 establish the procedure described in this subsection in such
107 a manner as to ensure that eligible applicants can claim all
108 the tax credits possible up to the cumulative amount of tax
109 credits available for the taxable year. No eligible
110 applicant claiming a tax credit under this section shall be

111 liable for any interest or penalty for filing a tax return
112 after the date fixed for filing such return as a result of
113 the apportionment procedure under this subsection.

114 7. Any eligible applicant desiring to claim a tax
115 credit under this section shall submit the appropriate
116 application for such credit with the department. The
117 application for a tax credit under this section shall
118 include any information required by the department. The
119 department shall review the applications and certify to the
120 department of revenue each eligible applicant that qualifies
121 for the tax credit.

122 8. The department and the department of revenue may
123 promulgate rules to implement the provisions of this
124 section. Any rule or portion of a rule, as that term is
125 defined in section 536.010, that is created under the
126 authority delegated in this section shall become effective
127 only if it complies with and is subject to all of the
128 provisions of chapter 536 and, if applicable, section
129 536.028. This section and chapter 536 are nonseverable and
130 if any of the powers vested with the general assembly
131 pursuant to chapter 536 to review, to delay the effective
132 date, or to disapprove and annul a rule are subsequently
133 held unconstitutional, then the grant of rulemaking
134 authority and any rule proposed or adopted after August 28,
135 2008, shall be invalid and void.

136 9. The provisions of section 23.253 of the Missouri
137 sunset act notwithstanding:

138 (1) The provisions of the new program authorized under
139 this section shall automatically sunset three years after
140 December 31, 2014, unless reauthorized by an act of the
141 general assembly; and

142 (2) If such program is reauthorized, the program
143 authorized under this section shall automatically sunset six
144 years after the effective date of the reauthorization of
145 this section; and

146 (3) This section shall terminate on December thirty-
147 first of the calendar year immediately following the
148 calendar year in which the program authorized under this
149 section is sunset; and

150 (4) The provisions of this subsection shall not be
151 construed to limit or in any way impair the department's
152 ability to redeem tax credits authorized on or before the
153 date the program authorized under this section expires or a
154 taxpayer's ability to redeem such tax credits.

 135.950. The following terms, whenever used in
2 sections 135.950 to 135.970 mean:

3 (1) "Average wage", the new payroll divided by the
4 number of new jobs;

5 (2) "Blighted area", an area which, by reason of the
6 predominance of defective or inadequate street layout,
7 unsanitary or unsafe conditions, deterioration of site
8 improvements, improper subdivision or obsolete platting, or
9 the existence of conditions which endanger life or property
10 by fire and other causes, or any combination of such
11 factors, retards the provision of housing accommodations or
12 constitutes an economic or social liability or a menace to
13 the public health, safety, morals, or welfare in its present
14 condition and use. The term "blighted area" shall also
15 include any area which produces or generates or has the
16 potential to produce or generate electrical energy from a
17 renewable energy resource, and which, by reason of
18 obsolescence, decadence, blight, dilapidation, deteriorating
19 or inadequate site improvements, substandard conditions, the

predominance [or] of defective or inadequate street layout, unsanitary or unsafe conditions, improper subdivision or obsolete platting, or the existence of conditions which endanger the life or property by fire or other means, or any combination of such factors, is underutilized, unutilized, or diminishes the economic usefulness of the land, improvements, or lock and dam site within such area for the production, generation, conversion, and conveyance of electrical energy from a renewable energy resource;

(3) "Board", an enhanced enterprise zone board established pursuant to section 135.957;

(4) "Commencement of commercial operations" shall be deemed to occur during the first taxable year for which the new business facility is first put into use by the taxpayer in the enhanced business enterprise in which the taxpayer intends to use the new business facility;

(5) "County average wage", the average wages in each county as determined by the department for the most recently completed full calendar year. However, if the computed county average wage is above the statewide average wage, the statewide average wage shall be deemed the county average wage for such county for the purpose of determining eligibility. The department shall publish the county average wage for each county at least annually.

Notwithstanding the provisions of this subdivision to the contrary, for any taxpayer that in conjunction with their project is relocating employees from a Missouri county with a higher county average wage, such taxpayer shall obtain the endorsement of the governing body of the community from which jobs are being relocated or the county average wage for their project shall be the county average wage for the county from which the employees are being relocated;

52 (6) "Department", the department of [economic
53 development] **natural resources**;

54 (7) "Director", the director of the department of
55 [economic development] **natural resources**;

56 (8) "Employee", a person employed by the enhanced
57 business enterprise that is scheduled to work an average of
58 at least one thousand hours per year, and such person at all
59 times has health insurance offered to him or her, which is
60 partially paid for by the employer;

61 (9) "Enhanced business enterprise", an industry or one
62 of a cluster of industries that is either:

63 (a) Identified by the department as critical to the
64 state's economic security and growth; or

65 (b) Will have an impact on industry cluster
66 development, as identified by the governing authority in its
67 application for designation of an enhanced enterprise zone
68 and approved by the department; but excluding gambling
69 establishments (NAICS industry group 7132), retail trade
70 (NAICS sectors 44 and 45), educational services (NAICS
71 sector 61), religious organizations (NAICS industry group
72 8131), public administration (NAICS sector 92), and food and
73 drinking places (NAICS subsector 722), however,
74 notwithstanding provisions of this section to the contrary,
75 headquarters or administrative offices of an otherwise
76 excluded business may qualify for benefits if the offices
77 serve a multistate territory. In the event a national,
78 state, or regional headquarters operation is not the
79 predominant activity of a project facility, the new jobs and
80 investment of such headquarters operation is considered
81 eligible for benefits under this section if the other
82 requirements are satisfied. Service industries may be

83 eligible only if a majority of its annual revenues will be
84 derived from out of the state;

85 (10) "Existing business facility", any facility in
86 this state which was employed by the taxpayer claiming the
87 credit in the operation of an enhanced business enterprise
88 immediately prior to an expansion, acquisition, addition, or
89 replacement;

90 (11) "Facility", any building used as an enhanced
91 business enterprise located within an enhanced enterprise
92 zone, including the land on which the facility is located
93 and all machinery, equipment, and other real and depreciable
94 tangible personal property acquired for use at and located
95 at or within such facility and used in connection with the
96 operation of such facility;

97 (12) "Facility base employment", the greater of the
98 number of employees located at the facility on the date of
99 the notice of intent, or for the twelve-month period prior
100 to the date of the notice of intent, the average number of
101 employees located at the facility, or in the event the
102 project facility has not been in operation for a full twelve-
103 month period, the average number of employees for the number
104 of months the facility has been in operation prior to the
105 date of the notice of intent;

106 (13) "Facility base payroll", the total amount of
107 taxable wages paid by the enhanced business enterprise to
108 employees of the enhanced business enterprise located at the
109 facility in the twelve months prior to the notice of intent,
110 not including the payroll of owners of the enhanced business
111 enterprise unless the enhanced business enterprise is
112 participating in an employee stock ownership plan. For the
113 purposes of calculating the benefits under this program, the
114 amount of base payroll shall increase each year based on the

115 consumer price index or other comparable measure, as
116 determined by the department;

117 (14) "Governing authority", the body holding primary
118 legislative authority over a county or incorporated
119 municipality;

120 (15) "Megaproject", any manufacturing or assembling
121 facility, approved by the department for construction and
122 operation within an enhanced enterprise zone, which
123 satisfies the following:

124 (a) The new capital investment is projected to exceed
125 three hundred million dollars over a period of eight years
126 from the date of approval by the department;

127 (b) The number of new jobs is projected to exceed one
128 thousand over a period of eight years beginning on the date
129 of approval by the department;

130 (c) The average wage of new jobs to be created shall
131 exceed the county average wage;

132 (d) The taxpayer shall offer health insurance to all
133 new jobs and pay at least eighty percent of such insurance
134 premiums; and

135 (e) An acceptable plan of repayment, to the state, of
136 the tax credits provided for the megaproject has been
137 provided by the taxpayer;

138 (16) "NAICS", the 1997 edition of the North American
139 Industry Classification System as prepared by the Executive
140 Office of the President, Office of Management and Budget.
141 Any NAICS sector, subsector, industry group or industry
142 identified in this section shall include its corresponding
143 classification in subsequent federal industry classification
144 systems;

(17) "New business facility", a facility that does not produce or generate electrical energy from a renewable energy resource and satisfies the following requirements:

(a) Such facility is employed by the taxpayer in the operation of an enhanced business enterprise. Such facility shall not be considered a new business facility in the hands of the taxpayer if the taxpayer's only activity with respect to such facility is to lease it to another person or persons. If the taxpayer employs only a portion of such facility in the operation of an enhanced business enterprise, and leases another portion of such facility to another person or persons or does not otherwise use such other portions in the operation of an enhanced business enterprise, the portion employed by the taxpayer in the operation of an enhanced business enterprise shall be considered a new business facility, if the requirements of paragraphs (b), (c), and (d) of this subdivision are satisfied;

(b) Such facility is acquired by, or leased to, the taxpayer after December 31, 2004. A facility shall be deemed to have been acquired by, or leased to, the taxpayer after December 31, 2004, if the transfer of title to the taxpayer, the transfer of possession pursuant to a binding contract to transfer title to the taxpayer, or the commencement of the term of the lease to the taxpayer occurs after December 31, 2004;

(c) If such facility was acquired by the taxpayer from another taxpayer and such facility was employed immediately prior to the acquisition by another taxpayer in the operation of an enhanced business enterprise, the operation of the same or a substantially similar enhanced business

176 enterprise is not continued by the taxpayer at such
177 facility; and

178 (d) Such facility is not a replacement business
179 facility, as defined in subdivision (27) of this section;

180 (18) "New business facility employee", an employee of
181 the taxpayer in the operation of a new business facility
182 during the taxable year for which the credit allowed by
183 section 135.967 is claimed, except that truck drivers and
184 rail and barge vehicle operators and other operators of
185 rolling stock for hire shall not constitute new business
186 facility employees;

187 (19) "New business facility investment", the value of
188 real and depreciable tangible personal property, acquired by
189 the taxpayer as part of the new business facility, which is
190 used by the taxpayer in the operation of the new business
191 facility, during the taxable year for which the credit
192 allowed by 135.967 is claimed, except that trucks, truck-
193 trailers, truck semitrailers, rail vehicles, barge vehicles,
194 aircraft and other rolling stock for hire, track, switches,
195 barges, bridges, tunnels, and rail yards and spurs shall not
196 constitute new business facility investments. The total
197 value of such property during such taxable year shall be:

198 (a) Its original cost if owned by the taxpayer; or

199 (b) Eight times the net annual rental rate, if leased
200 by the taxpayer. The net annual rental rate shall be the
201 annual rental rate paid by the taxpayer less any annual
202 rental rate received by the taxpayer from subrentals. The
203 new business facility investment shall be determined by
204 dividing by twelve the sum of the total value of such
205 property on the last business day of each calendar month of
206 the taxable year. If the new business facility is in
207 operation for less than an entire taxable year, the new

208 business facility investment shall be determined by dividing
209 the sum of the total value of such property on the last
210 business day of each full calendar month during the portion
211 of such taxable year during which the new business facility
212 was in operation by the number of full calendar months
213 during such period;

214 (20) "New job", the number of employees located at the
215 facility that exceeds the facility base employment less any
216 decrease in the number of the employees at related
217 facilities below the related facility base employment. No
218 job that was created prior to the date of the notice of
219 intent shall be deemed a new job;

220 (21) "Notice of intent", a form developed by the
221 department which is completed by the enhanced business
222 enterprise and submitted to the department which states the
223 enhanced business enterprise's intent to hire new jobs and
224 request benefits under such program;

225 (22) "Related facility", a facility operated by the
226 enhanced business enterprise or a related company in this
227 state that is directly related to the operation of the
228 project facility;

229 (23) "Related facility base employment", the greater
230 of:

231 (a) The number of employees located at all related
232 facilities on the date of the notice of intent; or

233 (b) For the twelve-month period prior to the date of
234 the notice of intent, the average number of employees
235 located at all related facilities of the enhanced business
236 enterprise or a related company located in this state;

237 (24) "Related taxpayer":

238 (a) A corporation, partnership, trust, or association
239 controlled by the taxpayer;

240 (b) An individual, corporation, partnership, trust, or
241 association in control of the taxpayer; or

242 (c) A corporation, partnership, trust or association
243 controlled by an individual, corporation, partnership, trust
244 or association in control of the taxpayer. "Control of a
245 corporation" shall mean ownership, directly or indirectly,
246 of stock possessing at least fifty percent of the total
247 combined voting power of all classes of stock entitled to
248 vote, "control of a partnership or association" shall mean
249 ownership of at least fifty percent of the capital or
250 profits interest in such partnership or association, and
251 "control of a trust" shall mean ownership, directly or
252 indirectly, of at least fifty percent of the beneficial
253 interest in the principal or income of such trust; ownership
254 shall be determined as provided in Section 318 of the
255 Internal Revenue Code of 1986, as amended;

256 (25) "Renewable energy generation zone", an area which
257 has been found, by a resolution or ordinance adopted by the
258 governing authority having jurisdiction of such area, to be
259 a blighted area and which contains land, improvements, or a
260 lock and dam site which is unutilized or underutilized for
261 the production, generation, conversion, and conveyance of
262 electrical energy from a renewable energy resource;

263 (26) "Renewable energy resource", shall include:

264 (a) Wind;

265 (b) Solar thermal sources or photovoltaic cells and
266 panels;

267 (c) Dedicated crops grown for energy production;

268 (d) Cellulosic agricultural residues;

269 (e) Plant residues;

270 (f) Methane from landfills, agricultural operations,
271 or wastewater treatment;

(g) Thermal depolymerization or pyrolysis for converting waste material to energy;

(h) Clean and untreated wood such as pallets;

(i) Hydroelectric power, which shall include electrical energy produced or generated by hydroelectric power generating equipment, as such term is defined in section 137.010;

(j) Fuel cells using hydrogen produced by one or more of the renewable resources provided in paragraphs (a) to (i) of this subdivision; or

(k) Any other sources of energy, not including nuclear energy, that are certified as renewable by rule by the department of [economic development] **natural resources**;

(27) "Replacement business facility", a facility otherwise described in subdivision (17) of this section, hereafter referred to in this subdivision as "new facility", which replaces another facility, hereafter referred to in this subdivision as "old facility", located within the state, which the taxpayer or a related taxpayer previously operated but discontinued operating on or before the close of the first taxable year for which the credit allowed by this section is claimed. A new facility shall be deemed to replace an old facility if the following conditions are met:

(a) The old facility was operated by the taxpayer or a related taxpayer during the taxpayer's or related taxpayer's taxable period immediately preceding the taxable year in which commencement of commercial operations occurs at the new facility; and

(b) The old facility was employed by the taxpayer or a related taxpayer in the operation of an enhanced business enterprise and the taxpayer continues the operation of the same or substantially similar enhanced business enterprise

at the new facility. Notwithstanding the preceding provisions of this subdivision, a facility shall not be considered a replacement business facility if the taxpayer's new business facility investment, as computed in subdivision (19) of this section, in the new facility during the tax period for which the credits allowed in section 135.967 are claimed exceed one million dollars and if the total number of employees at the new facility exceeds the total number of employees at the old facility by at least two;

(28) "Same or substantially similar enhanced business enterprise", an enhanced business enterprise in which the nature of the products produced or sold, or activities conducted, are similar in character and use or are produced, sold, performed, or conducted in the same or similar manner as in another enhanced business enterprise.

[167.910. 1. There is hereby established the "Career Readiness Course Task Force" to explore the possibility of a course covering the topics described in this section being offered in the public schools to students in eighth grade or ninth grade. Task force members shall be chosen to represent the geographic diversity of the state. All task force members shall be appointed before October 31, 2018. The task force members shall be appointed as follows:

(1) A parent of a student attending elementary school, appointed by the joint committee on education;

(2) A parent of a student attending a grade not lower than the sixth nor higher than the eighth grade, appointed by the joint committee on education;

(3) A parent of a student attending high school, appointed by the joint committee on education;

(4) An elementary education professional from an accredited school district, appointed by the joint committee on education from names submitted by statewide education employee organizations;

(5) Two education professionals giving instruction in a grade or grades not lower than the sixth nor higher than the eighth grade in accredited school districts, appointed by the joint committee on education from names

31 submitted by statewide education employee
32 organizations;
33 (6) Two secondary education professionals
34 from accredited school districts, appointed by
35 the joint committee on education from names
36 submitted by statewide education employee
37 organizations;
38 (7) A career and technical education
39 professional who has experience serving as an
40 advisor to a statewide career and technical
41 education organization, appointed by a statewide
42 career and technical education organization;
43 (8) An education professional from an
44 accredited technical high school, appointed by a
45 statewide career and technical education
46 organization;
47 (9) A public school board member,
48 appointed by a statewide association of school
49 boards;
50 (10) A secondary school principal,
51 appointed by a statewide association of
52 secondary school principals;
53 (11) A principal of a school giving
54 instruction in a grade or grades not lower than
55 the sixth nor higher than the eighth grade,
56 appointed by a statewide association of
57 secondary school principals;
58 (12) An elementary school counselor,
59 appointed by a statewide association of school
60 counselors;
61 (13) Two school counselors from a school
62 giving instruction in a grade or grades not
63 lower than the sixth nor higher than the eighth
64 grade, appointed by a statewide association of
65 school counselors;
66 (14) A secondary school counselor,
67 appointed by a statewide association of school
68 counselors;
69 (15) A secondary school career and college
70 counselor, appointed by a statewide association
71 of school counselors;
72 (16) An apprenticeship professional,
73 appointed by the division of workforce
74 development of economic development;
75 (17) A representative of Missouri Project
76 Lead the Way, appointed by the statewide Project
77 Lead the Way organization;
78 (18) A representative of the state
79 technical college, appointed by the state
80 technical college;
81 (19) A representative of a public
82 community college, appointed by a statewide
83 organization of community colleges; and
84 (20) A representative of a public four-
85 year institution of higher education, appointed
86 by the commissioner of higher education.

87 2. The members of the task force
88 established under subsection 1 of this section
89 shall elect a chair from among the membership of
90 the task force. The task force shall meet as
91 needed to complete its consideration of the
92 course described in subsection 5 of this section
93 and provide its findings and recommendations as
94 described in subsection 6 of this section.
95 Members of the task force shall serve without
96 compensation. No school district policy or
97 administrative action shall require any
98 education employee member to use personal leave
99 or incur a reduction in pay for participating on
100 the task force.

101 3. The task force shall hold at least
102 three public hearings to provide an opportunity
103 to receive public testimony including, but not
104 limited to, testimony from educators, local
105 school boards, parents, representatives from
106 business and industry, labor and community
107 leaders, members of the general assembly, and
108 the general public.

109 4. The department of elementary and
110 secondary education shall provide such legal,
111 research, clerical, and technical services as
112 the task force may require in the performance of
113 its duties.

114 5. The task force established under
115 subsection 1 of this section shall consider a
116 course that:

117 (1) Gives students an opportunity to
118 explore various career and educational
119 opportunities by:

120 (a) Administering career surveys to
121 students and helping students use Missouri
122 Connections to determine their career interests
123 and develop plans to meet their career goals;

124 (b) Explaining the differences between
125 types of colleges, including two-year and four-
126 year colleges and noting the availability of
127 registered apprenticeship programs as
128 alternatives to college for students;

129 (c) Describing technical degrees offered
130 by colleges;

131 (d) Explaining the courses and educational
132 experiences offered at community colleges;

133 (e) Describing the various certificates
134 and credentials available to earn at the school
135 or other schools including, but not limited to,
136 career and technical education certificates
137 described under section 170.029 and industry-
138 recognized certificates and credentials;

139 (f) Advising students of any advanced
140 placement courses that they may take at the
141 school;

142 (g) Describing any opportunities at the
143 school for dual enrollment;

144 (h) Advising students of any Project Lead
145 the Way courses offered at the school and
146 explaining how Project Lead the Way courses help
147 students learn valuable skills;

148 (i) Informing students of the availability
149 of funding for postsecondary education through
150 the A+ schools program described under section
151 160.545;

152 (j) Describing the availability of virtual
153 courses;

154 (k) Describing the types of skills and
155 occupations most in demand in the current job
156 market and those skills and occupations likely
157 to be in high demand in future years;

158 (l) Describing the typical salaries for
159 occupations, salary trends, and opportunities
160 for advancement in various occupations;

161 (m) Emphasizing the opportunities
162 available in careers involving science,
163 technology, engineering, and math;

164 (n) Advising students of the resources
165 offered by workforce or job centers;

166 (o) Preparing students for the ACT
167 assessment or the ACT WorkKeys assessments
168 required for the National Career Readiness
169 Certificate;

170 (p) Administering a practice ACT
171 assessment or practice ACT WorkKeys assessments
172 required for the National Career Readiness
173 Certificate to students;

174 (q) Advising students of opportunities to
175 take the SAT and the Armed Services Vocational
176 Aptitude Battery;

177 (r) Administering a basic math test to
178 students so that they can assess their math
179 skills;

180 (s) Administering a basic writing test to
181 students so that they can assess their writing
182 skills;

183 (t) Helping each student prepare a
184 personal plan of study that outlines a sequence
185 of courses and experiences that concludes with
186 the student reaching his or her postsecondary
187 goals; and

188 (u) Explaining how to complete college
189 applications and the Free Application for
190 Federal Student Aid;

191 (2) Focuses on career readiness and
192 emphasizes the importance of work ethic,
193 communication, collaboration, critical thinking,
194 and creativity;

195 (3) Demonstrates that graduation from a
196 four-year college is not the only pathway to
197 success by describing to students at least
198 sixteen pathways to success in detail and
199 including guest visitors who represent each
200 pathway described. In exploring how these

201 pathways could be covered in the course, the
202 task force shall consider how instructors for
203 the course may be able to rely on assistance
204 from Missouri's career pathways within the
205 department of elementary and secondary education;

206 (4) Provides student loan counseling; and

207 (5) May include parent-student meetings.

208 6. Before December 1, 2019, the task force
209 established under subsection 1 of this section
210 shall present its findings and recommendations
211 to the speaker of the house of representatives,
212 the president pro tempore of the senate, the
213 joint committee on education, and the state
214 board of education. Upon presenting the
215 findings and recommendations as described in
216 this subsection, the task force shall dissolve.]

167.910. 1. There is hereby established the "Career
2 Readiness Course Task Force" to explore the possibility of a
3 course covering the topics described in this section being
4 offered in the public schools to students in eighth grade or
5 ninth grade. Task force members shall be chosen to
6 represent the geographic diversity of the state. All task
7 force members shall be appointed before October 31, 2018.
8 The task force members shall be appointed as follows:

9 (1) A parent of a student attending elementary school,
10 appointed by a statewide association of parents and teachers;

11 (2) A parent of a student attending a grade not lower
12 than the sixth nor higher than the eighth grade, appointed
13 by a statewide association of parents and teachers;

14 (3) A parent of a student attending high school,
15 appointed by a statewide association of parents and teachers;

16 (4) An elementary education professional from an
17 accredited school district, appointed by agreement among the
18 Missouri State Teachers Association, the Missouri National
19 Education Association, and the American Federation of
20 Teachers of Missouri;

21 (5) An education professional giving instruction in a
22 grade or grades not lower than the sixth nor higher than the

23 eighth grade in an accredited school district, appointed by
24 agreement among the Missouri State Teachers Association, the
25 Missouri National Education Association, and the American
26 Federation of Teachers of Missouri;

27 (6) A secondary education professional from an
28 accredited school district, appointed by agreement among the
29 Missouri State Teachers Association, the Missouri National
30 Education Association, and the American Federation of
31 Teachers of Missouri;

32 (7) A career and technical education professional who
33 has experience serving as an advisor to a statewide career
34 and technical education organization, appointed by a
35 statewide career and technical education organization;

36 (8) An education professional from an accredited
37 technical high school, appointed by a statewide career and
38 technical education organization;

39 (9) A public school board member, appointed by a
40 statewide association of school boards;

41 (10) A secondary school principal, appointed by a
42 statewide association of secondary school principals;

43 (11) A principal of a school giving instruction in a
44 grade or grades not lower than the sixth nor higher than the
45 eighth grade, appointed by a statewide association of
46 secondary school principals;

47 (12) An elementary school counselor, appointed by a
48 statewide association of school counselors;

49 (13) A school counselor from a school giving
50 instruction in a grade or grades not lower than the sixth
51 nor higher than the eighth grade, appointed by a statewide
52 association of school counselors;

53 (14) A secondary school counselor, appointed by a
54 statewide association of school counselors;

55 (15) A secondary school career and college counselor,
56 appointed by a statewide association of school counselors;

57 (16) An apprenticeship professional, appointed by the
58 division of workforce development of the department of
59 [economic development] **higher education and workforce**
60 **development;**

61 (17) A representative of Missouri Project Lead the
62 Way, appointed by the statewide Project Lead the Way
63 organization;

64 (18) A representative of the State Technical College
65 of Missouri, appointed by the State Technical College of
66 Missouri;

67 (19) A representative of a public community college,
68 appointed by a statewide organization of community colleges;
69 and

70 (20) A representative of a public four-year
71 institution of higher education, appointed by the
72 commissioner of higher education.

73 2. The members of the task force established under
74 subsection 1 of this section shall elect a chair from among
75 the membership of the task force. The task force shall meet
76 as needed to complete its consideration of the course
77 described in subsection 5 of this section and provide its
78 findings and recommendations as described in subsection 6 of
79 this section. Members of the task force shall serve without
80 compensation. No school district policy or administrative
81 action shall require any education employee member to use
82 personal leave or incur a reduction in pay for participating
83 on the task force.

84 3. The task force shall hold at least three public
85 hearings to provide an opportunity to receive public
86 testimony including, but not limited to, testimony from

educators, local school boards, parents, representatives from business and industry, labor and community leaders, members of the general assembly, and the general public.

4. The department of elementary and secondary education shall provide such legal, research, clerical, and technical services as the task force may require in the performance of its duties.

5. The task force established under subsection 1 of this section shall consider a course that:

(1) Gives students an opportunity to explore various career and educational opportunities by:

(a) Administering career surveys to students and helping students use Missouri Connections to determine their career interests and develop plans to meet their career goals;

(b) Explaining the differences between types of colleges, including two-year and four-year colleges, and noting the availability of registered apprenticeship programs as alternatives to college for students;

(c) Describing technical degrees offered by colleges;

(d) Explaining the courses and educational experiences offered at community colleges;

(e) Describing the various certificates and credentials available to earn at the school or other schools including, but not limited to, career and technical education certificates described under section 170.029 and industry-recognized certificates and credentials;

(f) Advising students of any advanced placement courses that they may take at the school;

(g) Describing any opportunities at the school for dual enrollment;

(h) Advising students of any Project Lead the Way courses offered at the school and explaining how Project Lead the Way courses help students learn valuable skills;

(i) Informing students of the availability of funding for postsecondary education through the A+ schools program described under section 160.545;

(j) Describing the availability of virtual courses;

(k) Describing the types of skills and occupations most in demand in the current job market and those skills and occupations likely to be in high demand in future years;

(l) Describing the typical salaries for occupations, salary trends, and opportunities for advancement in various occupations;

(m) Emphasizing the opportunities available in careers involving science, technology, engineering, and math;

(n) Advising students of the resources offered by workforce or job centers;

(o) Preparing students for the ACT assessment or the ACT WorkKeys assessments required for the National Career Readiness Certificate;

(p) Administering a practice ACT assessment or practice ACT WorkKeys assessments required for the National Career Readiness Certificate to students;

(q) Advising students of opportunities to take the SAT and the Armed Services Vocational Aptitude Battery;

(r) Administering a basic math test to students so that they can assess their math skills;

(s) Administering a basic writing test to students so that they can assess their writing skills;

(t) Helping each student prepare a personal plan of study that outlines a sequence of courses and experiences

149 that concludes with the student reaching his or her
150 postsecondary goals; and

151 (u) Explaining how to complete college applications
152 and the Free Application for Federal Student Aid;

153 (2) Focuses on career readiness and emphasizes the
154 importance of work ethic, communication, collaboration,
155 critical thinking, and creativity;

156 (3) Demonstrates that graduation from a four-year
157 college is not the only pathway to success by describing to
158 students at least sixteen pathways to success in detail and
159 including guest visitors who represent each pathway
160 described. In exploring how these pathways could be covered
161 in the course, the task force shall consider how instructors
162 for the course may be able to rely on assistance from
163 Missouri Career Pathways within the department of elementary
164 and secondary education;

165 (4) Provides student loan counseling; and

166 (5) May include parent-student meetings.

167 6. Before December 1, 2019, the task force established
168 under subsection 1 of this section shall present its
169 findings and recommendations to the speaker of the house of
170 representatives, the president pro tempore of the senate,
171 the joint committee on education, and the state board of
172 education. Upon presenting the findings and recommendations
173 as described in this subsection, the task force shall
174 dissolve.

[620.484.] **173.2800.** The provisions of the Wagner-
2 Peyser Act (29 U.S.C.A. Sec. 49 et seq.), as amended, are
3 hereby accepted by this state and the division of workforce
4 development of the department of [economic development]
5 **higher education and workforce development** is hereby
6 designated and constituted the agency of this state for the

7 purposes of said act. The division shall establish and
8 maintain free public employment offices in such number and
9 in such places as may be necessary for the proper
10 administration of this chapter and for the purposes of
11 performing such functions as are within the purview of the
12 Wagner-Peyser Act.

[620.490.] **173.2805.** The department of [economic
2 development] **higher education and workforce development**
3 shall promulgate rules providing for the coordination of
4 state and federal job training resources administered by the
5 department of economic development, including the local
6 workforce investment areas established in the state to
7 administer federal funds pursuant to the federal Workforce
8 Investment Act or its successor, for the provision of
9 assistance to businesses in this state relating to the
10 creation of new jobs in the state. The department shall
11 include in these rules the methods to be followed by any
12 business engaged in the creation of new jobs in state to
13 ensure that economically disadvantaged citizens receive
14 opportunities for employment in the new jobs created. No
15 rule or portion of a rule promulgated pursuant to the
16 authority of this section shall become effective unless it
17 has been promulgated pursuant to the provisions of section
18 536.024.

[620.511.] **173.2850.** 1. There is hereby established
2 the "Missouri Workforce Development Board", formerly known
3 as the Missouri workforce investment board, and hereinafter
4 referred to as "the board" in sections [620.511 to 620.513]
5 **173.2850 to 173.2860.**

6 2. The purpose of the board is to provide workforce
7 investment activities, through statewide and local workforce
8 investment systems, that increase the employment, retention,

9 and earnings of participants, and increase occupational
10 skill attainment by participants, and, as a result, improve
11 the quality of the workforce, reduce welfare dependency, and
12 enhance the productivity and competitiveness of the state of
13 Missouri. The board shall be the state's advisory board
14 pertaining to workforce preparation policy.

15 3. The board shall meet the requirements of the
16 federal Workforce Innovation and Opportunity Act,
17 hereinafter referred to as the "WIOA", P.L. 113-128, as
18 amended. Should another federal law supplant the WIOA, all
19 references in sections [620.511 to 620.513] **173.2850 to**
20 **173.2860** to the WIOA shall apply as well to the new federal
21 law.

22 4. Composition of the board shall comply with the
23 WIOA. Board members appointed by the governor shall be
24 subject to the advice and consent of the senate. Consistent
25 with the requirements of the WIOA, the governor shall
26 designate one member of the board to be its chairperson.

27 5. Each member of the board shall serve for a term of
28 four years, subject to the pleasure of the governor, and
29 until a successor is duly appointed. In the event of a
30 vacancy on the board, the vacancy shall be filled in the
31 same manner as the original appointment and said replacement
32 shall serve the remainder of the original appointee's
33 unexpired term.

34 6. Of the members initially appointed to the WIOA,
35 formerly known as the WIA, board, one-fourth shall be
36 appointed for a term of four years, one-fourth shall be
37 appointed for a term of three years, one-fourth shall be
38 appointed for a term of two years, and one-fourth shall be
39 appointed for a term of one year.

40 7. WIOA board members shall receive no compensation,
41 but shall be reimbursed for all necessary expenses actually
42 incurred in the performance of their duties.

43 8. The department may include on its website a list of
44 the names of the members of the board, including the names
45 of members of local workforce development boards, along with
46 information on how to contact such boards.

 [620.512.] **173.2855.** 1. The board shall establish
2 bylaws governing its organization, operation, and procedure
3 consistent with sections [620.511 to 620.513] **173.2850 to**
4 **173.2860**, and consistent with the WIOA.

5 2. The board shall meet at least four times each year
6 at the call of the chairperson.

7 3. In order to assure objective management and
8 oversight, the board shall not operate programs or provide
9 services directly to eligible participants, but shall exist
10 solely to plan, coordinate, and monitor the provisions of
11 such programs and services. A member of the board may not
12 vote on a matter under consideration by the board that
13 regards the provision of services by the member or by an
14 entity that the member represents or would provide direct
15 financial benefit to the member or the immediate family of
16 the member. A member of the board may not engage in any
17 other activity determined by the governor to constitute a
18 conflict of interest.

19 4. The composition and the roles and responsibilities
20 of the board membership may be amended to comply with any
21 succeeding federal or state legislative or regulatory
22 requirements governing workforce investment activities,
23 except that the procedure for such change shall be outlined
24 in state rules and regulations and adopted in the bylaws of
25 the board.

26 5. The department of [economic development] **higher**
27 **education and workforce development** shall provide
28 professional, technical, and clerical staff for the board.

29 6. The board may promulgate any rules and regulations
30 necessary to administer the provisions of sections [620.511
31 to 620.513] **173.2850 to 173.2860**. Any rule or portion of a
32 rule, as that term is defined in section 536.010, that is
33 created under the authority delegated in this section shall
34 become effective only if it complies with and is subject to
35 all of the provisions of chapter 536 and, if applicable,
36 section 536.028. This section and chapter 536 are
37 nonseverable and if any of the powers vested with the
38 general assembly pursuant to chapter 536 to review, to delay
39 the effective date, or to disapprove and annul a rule are
40 subsequently held unconstitutional, then the grant of
41 rulemaking authority and any rule proposed or adopted after
42 August 28, 2007, shall be invalid and void.

 [620.513.] **173.2860**. 1. The board shall assist the
2 governor with the functions described in Section 101(d) of
3 the WIOA, 29 U.S.C. Section 311d, and any regulations issued
4 pursuant to the WIOA.

5 2. The board shall submit an annual report of its
6 activities to the governor, the speaker of the house of
7 representatives, and the president pro tem of the senate no
8 later than January thirty-first of each year.

9 3. Nothing in sections [620.511 to 620.513] **173.2850**
10 **to 173.2860** shall be construed to require or allow the board
11 to assume or supersede the statutory authority granted to,
12 or impose any duties or requirements on, the state
13 coordinating board for higher education, the governing
14 boards of the state's public colleges and universities, the
15 state board of education, or any local educational agencies.

178.585. 1. Under rules and regulations of the state board of education, the commissioner of education, in cooperation with the director of the division of workforce development of the department of [economic development] **higher education and workforce development**, shall establish procedures to provide grants to public high schools, vocational-technical schools, State Technical College of Missouri, and community colleges solely for the purpose of new programs, curriculum enhancement, equipment and facilities so as to upgrade vocational and technical education in the state.

2. Each vocational-technical school, community college, State Technical College of Missouri, and school district of any public high school receiving a grant authorized by this section shall have an advisory committee composed of local business persons, labor leaders, parents, senior citizens, community leaders and teachers to establish a plan to ensure that students who graduate from the vocational-technical school, community college, State Technical College of Missouri, or public high school proceed to a four-year college or high-wage job with workplace-skill development opportunities.

3. The [director of the department of economic development] **commissioner of higher education** shall provide annually to the commissioner of education a listing of demand occupations in the state including substate projections. The listing shall include those occupations for which, in the judgment of the [director of the department of economic development] **commissioner of higher education**, there is a critical shortage to meet present or future employment needs necessary to the economic growth and competitiveness of the state.

33 4. In any fiscal year, at least seventy-five percent
34 of all moneys for the grant awards authorized by this
35 section shall be to public high schools, vocational-
36 technical schools, State Technical College of Missouri, or
37 community colleges for new programs, curriculum enhancement
38 or equipment necessary to address demand occupations
39 identified pursuant to subsection 3 of this section.

 186.019. 1. Prior to April first of each year,
2 starting in 1992, the information described in subdivisions
3 (1), (2), (3) and (4) of this subsection shall be delivered
4 in report form to the Missouri women's council, the
5 governor's office, the secretary of the senate, and the
6 chief clerk of the house of representatives. The
7 information shall apply only to activities which occurred
8 during the previous calendar year. Reports shall be
9 required from the following:

10 (1) The department of labor and industrial relations,
11 and the division of workforce development of the department
12 of [economic development] **higher education and workforce**
13 **development**, who shall assemble all available data and
14 report on all business start-ups and business failures which
15 are fifty-one percent or more owned by women. The reports
16 shall distinguish, as best as possible, those businesses
17 which are sole proprietorships, partnerships, or
18 corporations;

19 (2) The department of economic development, who shall
20 assemble all available data and report on financial
21 assistance or other incentives given to all businesses which
22 are fifty-one percent or more owned by women. The report
23 shall contain information relating to assistance or
24 incentives awarded for the retention of existing businesses,

25 the expansion of existing businesses, or the start-up of new
26 businesses;

27 (3) The department of revenue, who shall assemble all
28 available data and report on the number, gross receipts and
29 net income of all businesses which are fifty-one percent or
30 more owned by women. The reports shall distinguish those
31 businesses which are sole proprietorships, partnerships or
32 corporations;

33 (4) The [division of purchasing] **office of equal**
34 **opportunity** of the office of administration, who shall
35 assemble all available data and report on businesses which
36 are fifty-one percent or more owned by women which are
37 recipients of contracts awarded by the state of Missouri.

38 2. Prior to December first of each year, starting in
39 1990, the information described in subdivisions (1) and (2)
40 of this subsection shall be delivered in report form to the
41 Missouri women's council, the governor's office, the
42 secretary of the senate, and the chief clerk of the house of
43 representatives. The information shall apply only to
44 activities which occurred during the previous school year.
45 Reports shall be required from the following:

46 (1) The department of elementary and secondary
47 education shall assemble all available data from the
48 Vocational and Education Data System (VEDS) on class
49 enrollments by Instruction Program Codes (CIP); by secondary
50 and postsecondary schools; and, secondary, postsecondary,
51 and adult level classes; and by gender. This data shall
52 also be reported by classes of traditional and
53 nontraditional occupational areas;

54 (2) The coordinating board for higher education shall
55 assemble all available data and report on higher education
56 degrees awarded by academic discipline; type of degree; type

57 of school; and gender. All available data shall also be
58 reported on salaries received upon completion of degree
59 program and subsequent hire, as well as any data available
60 on follow-up salaries.

290.257. 1. (1) In determining the prevailing wage
2 rate, the department shall accept and consider information
3 submitted in either paper or electronic format regarding
4 local wage rates for construction projects that occurred
5 during the year preceding the annual wage order to be
6 issued, provided that information regarding local wage rates
7 for entry-level workers and federally registered apprentices
8 shall not be considered.

9 (2) (a) The prevailing wage rate for each
10 occupational title shall be equal to the weighted average
11 wage for that occupational title.

12 (b) For purposes of this subdivision, the following
13 terms shall mean:

14 a. "Reported wage sum", for each occupational title,
15 the sum of every product of each reported wage rate, which
16 shall include fringe benefits, multiplied by the total
17 number of reportable hours at such wage rate; and

18 b. "Weighted average wage", the reported wage sum for
19 each occupational title divided by the total number of
20 reportable hours for that occupational title.

21 2. The department shall annually calculate the public
22 works contracting minimum wage in each locality. The public
23 works contracting minimum wage shall be equal to one hundred
24 twenty percent of the average hourly wage in a particular
25 locality, as determined by the Missouri economic research
26 and information center within the department of [economic
27 development] **higher education and workforce development**, or
28 any successor agency.

29 3. A final determination of the prevailing hourly rate
30 of wages and the public works contracting minimum wage
31 applicable to every locality to be contained in an annual
32 wage order shall be made annually on or before July 1, 2019,
33 and July first of each year thereafter. The wage order
34 shall remain in effect until superseded by a new annual wage
35 order. The department shall, by March 10, 2019, and March
36 tenth of each year thereafter, make an initial determination
37 of the prevailing wage rate for each occupational title
38 within the locality as well as an initial determination as
39 to the public works contracting minimum wage. Objections
40 may be filed as to any initial determination as provided in
41 section 290.262.

42 4. (1) If the total number of reportable hours that
43 are paid pursuant to a collective bargaining agreement and
44 the total number of reportable hours that are not paid
45 pursuant to a collective bargaining agreement equal or
46 exceed, in the aggregate, one thousand hours for any
47 particular occupational title within a locality, workers
48 engaged in that occupational title in such locality shall be
49 paid the prevailing wage rate determined by the department
50 pursuant to this section.

51 (2) If the total number of reportable hours that are
52 paid pursuant to a collective bargaining agreement and the
53 total number of reportable hours that are not paid pursuant
54 to a collective bargaining agreement do not equal or exceed,
55 in the aggregate, one thousand hours for any particular
56 occupational title within a locality, workers engaged in
57 that occupational title in such locality shall be paid the
58 public works contracting minimum wage.

59 5. For purposes of this section, the term "reportable
60 hours" shall mean hours reported by a contractor for work

61 performed under such contractor in a particular occupational
62 title within a particular locality.

63 6. (1) The different types of occupational titles to
64 which sections 290.210 to 290.340 shall apply shall be
65 limited to, and shall include, all of the following:

- 66 (a) Asbestos worker;
- 67 (b) Boilermaker;
- 68 (c) Bricklayer;
- 69 (d) Carpenter, which shall include pile driver,
70 millwright, lather, and linoleum layer;
- 71 (e) Cement mason, which shall include plasterer;
- 72 (f) Communications technician;
- 73 (g) Electrician;
- 74 (h) Elevator constructor;
- 75 (i) Glazier;
- 76 (j) Ironworker;
- 77 (k) General laborer, including first semi-skilled
78 laborer and second semi-skilled laborer;
- 79 (l) Mason, which shall include marble mason, marble
80 finisher, terrazzo worker, terrazzo finisher, tile setter,
81 and tile finisher;
- 82 (m) Operating engineer, which shall include operating
83 engineer group one, operating engineer group two, operating
84 engineer group three, operating engineer group three-A,
85 operating engineer group four, and operating engineer group
86 five;
- 87 (n) Outside lineman, lineman operator, groundman,
88 lineman tree trimmer, groundman tree trimmer, and any
89 combination thereof;
- 90 (o) Painter;
- 91 (p) Plumber, which shall include pipefitter;
- 92 (q) Roofer;

- 93 (r) Sheet metal worker;
94 (s) Sprinkler fitter; and
95 (t) Truck driver, which shall include truck control
96 service driver, truck driver group one, truck driver group
97 two, truck driver group three, and truck driver group four.

98 (2) Each occupational title listed in subdivision (1)
99 of this subsection shall have the same meaning and
100 description as given to such occupational title in 8 CSR 30-
101 3.060.

374.007. 1. The revisor of statutes shall change all
2 references in the revised statutes of Missouri from
3 ["department of insurance", "insurance department" or
4 "department of insurance, financial and professional
5 regulation" to] "department of insurance, financial
6 institutions and professional registration" **to "department
7 of commerce and insurance".**

8 2. The revisor of statutes shall change all references
9 in the revised statutes of Missouri from ["director of
10 insurance" or "commissioner of insurance" to] "director of
11 the department of insurance, financial institutions and
12 professional registration" **to "director of the department of
13 commerce and insurance".**

386.040. 1. A "Public Service Commission" is hereby
2 created and established, which said public service
3 commission shall be vested with and possessed of the powers
4 and duties in this chapter specified, and also all powers
5 necessary or proper to enable it to carry out fully and
6 effectually all the purposes of this chapter.

7 2. **The public service commission with all of its
8 powers, duties, and functions is assigned by type III
9 transfer, as defined under the Omnibus State Reorganization
10 Act of 1974, to the department of commerce and insurance.**

11 **Nothing in the Reorganization Act of 1974 shall prevent the**
12 **chair of the public service commission from presenting**
13 **additional budget requests or from explaining or clarifying**
14 **its budget requests to the governor or general assembly.**

386.071. The public service commission may appoint and
2 fix the compensation of a general counsel to serve at the
3 pleasure of the commission. He **or she** shall be an attorney
4 at law and shall have resided in this state prior to his **or**
5 **her** appointment. It shall be the duty of the general
6 counsel for the commission to represent and appear for the
7 commission in all actions and proceedings involving any
8 question under this or any other law, or under or in
9 reference to any act, order, decision or proceeding of the
10 commission, and if directed to do so by the commission, to
11 intervene, if possible, in any action or proceeding in which
12 any such question is involved; to commence and prosecute in
13 the name of the state all actions and proceedings,
14 authorized by law and directed or authorized by the
15 commission, and to expedite in every way possible, to final
16 determination all such actions and proceedings; to advise
17 the commission and each commissioner, when so requested, in
18 regard to all matters in connection with the powers and
19 duties of the commission and the members thereof, and
20 generally to perform all duties and services as attorney and
21 counsel to the commission which the commission may
22 reasonably require of him **or her**. **The public service**
23 **commission is authorized to employ such staff as it deems**
24 **necessary for the functions performed by the general counsel**
25 **other than those powers, duties, and functions relating to**
26 **the representation of the public before the public service**
27 **commission.**

386.700. The director of the department of [economic
2 development] **commerce and insurance** shall appoint a public
3 counsel to serve at the pleasure of the director of the
4 department. The public counsel shall be an attorney at law
5 licensed to practice law in this state and whose salary
6 shall be fixed by the department director within the
7 appropriation made therefor. **The powers, duties, and**
8 **functions vested in the office of the public counsel are**
9 **transferred by type III transfer to the department of**
10 **commerce and insurance. Funding for the office of the**
11 **public counsel shall be by general revenue.**

386.710. 1. The public counsel shall have the
2 following powers and duties:

3 (1) He **or she** shall employ a staff or hire on a
4 contract basis such employees and experts as are necessary
5 to carry out the purposes and responsibilities of his **or her**
6 office, and shall set their compensation within the
7 appropriation made for that purpose;

8 (2) He **or she** may represent and protect the interests
9 of the public in any proceeding before or appeal from the
10 public service commission;

11 (3) He **or she** shall have discretion to represent or
12 refrain from representing the public in any proceeding. He
13 **or she** shall consider in exercising his **or her** discretion
14 the importance and the extent of the public interest
15 involved and whether that interest would be adequately
16 represented without the action of his **or her** office. If the
17 public counsel determines that there are conflicting public
18 interests involved in a particular matter, he **or she** may
19 choose to represent one such interest based upon the
20 considerations of this section, to represent no interest in
21 that matter, or to represent one interest and certify to the

22 director of the department of [economic development]
23 **commerce and insurance** that there is a significant public
24 interest which he **or she** cannot represent without creating a
25 conflict of interest and which will not be protected by any
26 party to the proceeding. The director of the department
27 shall select an attorney, to be paid from funds appropriated
28 for this purpose, to represent that segment of the public
29 certified to him by the public counsel as unrepresented.
30 Nothing in this section shall be construed to limit the
31 right of any person, firm or corporation specified in
32 subsection 1 of section 386.390 to petition or make
33 complaint to the commission or otherwise intervene in
34 proceedings or other matters before the commission.

35 2. The public counsel shall be served with all
36 proposed tariffs, initial pleadings, and applications, in
37 all proceedings before the public service commission, and
38 shall be served with a copy of all orders of the commission.

39 3. Nothing in sections 386.071, 386.150, 386.155,
40 386.170, 386.200, 386.330, 386.360, 386.390, 386.400,
41 386.410, 386.420, 386.440, 386.450, 386.480, 386.500,
42 386.530, 386.540, 386.600, 386.700 and 386.710, shall be
43 construed or interpreted to mean that the public counsel
44 shall not have the right to appeal any and all orders of the
45 public service commission to the courts which right of
46 appeal exists and has existed since the time of transfer as
47 provided in section 386.500.

48 4. He shall have all powers necessary or proper to
49 carry out the duties specified in this section.

386.890. 1. This section shall be known and may be
2 cited as the "Net Metering and Easy Connection Act".

3 2. As used in this section, the following terms shall
4 mean:

5 (1) "Avoided fuel cost", the current average cost of
6 fuel for the entity generating electricity, as defined by
7 the governing body with jurisdiction over any municipal
8 electric utility, rural electric cooperative as provided in
9 chapter 394, or electrical corporation as provided in this
10 chapter;

11 (2) "Commission", the public service commission of the
12 state of Missouri;

13 (3) "Customer-generator", the owner or operator of a
14 qualified electric energy generation unit which:

15 (a) Is powered by a renewable energy resource;

16 (b) Has an electrical generating system with a
17 capacity of not more than one hundred kilowatts;

18 (c) Is located on a premises owned, operated, leased,
19 or otherwise controlled by the customer-generator;

20 (d) Is interconnected and operates in parallel phase
21 and synchronization with a retail electric supplier and has
22 been approved by said retail electric supplier;

23 (e) Is intended primarily to offset part or all of the
24 customer-generator's own electrical energy requirements;

25 (f) Meets all applicable safety, performance,
26 interconnection, and reliability standards established by
27 the National Electrical Code, the National Electrical Safety
28 Code, the Institute of Electrical and Electronics Engineers,
29 Underwriters Laboratories, the Federal Energy Regulatory
30 Commission, and any local governing authorities; and

31 (g) Contains a mechanism that automatically disables
32 the unit and interrupts the flow of electricity back onto
33 the supplier's electricity lines in the event that service
34 to the customer-generator is interrupted;

35 (4) "Department", the department of [economic
36 development] **natural resources**;

(5) "Net metering", using metering equipment sufficient to measure the difference between the electrical energy supplied to a customer-generator by a retail electric supplier and the electrical energy supplied by the customer-generator to the retail electric supplier over the applicable billing period;

(6) "Renewable energy resources", electrical energy produced from wind, solar thermal sources, hydroelectric sources, photovoltaic cells and panels, fuel cells using hydrogen produced by one of the above-named electrical energy sources, and other sources of energy that become available after August 28, 2007, and are certified as renewable by the department;

(7) "Retail electric supplier" or "supplier", any municipal utility, electrical corporation regulated under this chapter, or rural electric cooperative under chapter 394 that provides retail electric service in this state.

3. A retail electric supplier shall:

(1) Make net metering available to customer-generators on a first-come, first-served basis until the total rated generating capacity of net metering systems equals five percent of the utility's single-hour peak load during the previous year, after which the commission for a public utility or the governing body for other electric utilities may increase the total rated generating capacity of net metering systems to an amount above five percent. However, in a given calendar year, no retail electric supplier shall be required to approve any application for interconnection if the total rated generating capacity of all applications for interconnection already approved to date by said supplier in said calendar year equals or exceeds one percent

68 of said supplier's single-hour peak load for the previous
69 calendar year;

70 (2) Offer to the customer-generator a tariff or
71 contract that is identical in electrical energy rates, rate
72 structure, and monthly charges to the contract or tariff
73 that the customer would be assigned if the customer were not
74 an eligible customer-generator but shall not charge the
75 customer-generator any additional standby, capacity,
76 interconnection, or other fee or charge that would not
77 otherwise be charged if the customer were not an eligible
78 customer-generator; and

79 (3) Disclose annually the availability of the net
80 metering program to each of its customers with the method
81 and manner of disclosure being at the discretion of the
82 supplier.

83 4. A customer-generator's facility shall be equipped
84 with sufficient metering equipment that can measure the net
85 amount of electrical energy produced or consumed by the
86 customer-generator. If the customer-generator's existing
87 meter equipment does not meet these requirements or if it is
88 necessary for the electric supplier to install additional
89 distribution equipment to accommodate the customer-
90 generator's facility, the customer-generator shall reimburse
91 the retail electric supplier for the costs to purchase and
92 install the necessary additional equipment. At the request
93 of the customer-generator, such costs may be initially paid
94 for by the retail electric supplier, and any amount up to
95 the total costs and a reasonable interest charge may be
96 recovered from the customer-generator over the course of up
97 to twelve billing cycles. Any subsequent meter testing,
98 maintenance or meter equipment change necessitated by the

99 customer-generator shall be paid for by the customer-
100 generator.

101 5. Consistent with the provisions in this section, the
102 net electrical energy measurement shall be calculated in the
103 following manner:

104 (1) For a customer-generator, a retail electric
105 supplier shall measure the net electrical energy produced or
106 consumed during the billing period in accordance with normal
107 metering practices for customers in the same rate class,
108 either by employing a single, bidirectional meter that
109 measures the amount of electrical energy produced and
110 consumed, or by employing multiple meters that separately
111 measure the customer-generator's consumption and production
112 of electricity;

113 (2) If the electricity supplied by the supplier
114 exceeds the electricity generated by the customer-generator
115 during a billing period, the customer-generator shall be
116 billed for the net electricity supplied by the supplier in
117 accordance with normal practices for customers in the same
118 rate class;

119 (3) If the electricity generated by the customer-
120 generator exceeds the electricity supplied by the supplier
121 during a billing period, the customer-generator shall be
122 billed for the appropriate customer charges for that billing
123 period in accordance with subsection 3 of this section and
124 shall be credited an amount at least equal to the avoided
125 fuel cost of the excess kilowatt-hours generated during the
126 billing period, with this credit applied to the following
127 billing period;

128 (4) Any credits granted by this subsection shall
129 expire without any compensation at the earlier of either
130 twelve months after their issuance or when the customer-

generator disconnects service or terminates the net metering relationship with the supplier;

(5) For any rural electric cooperative under chapter 394, or municipal utility, upon agreement of the wholesale generator supplying electric energy to the retail electric supplier, at the option of the retail electric supplier, the credit to the customer-generator may be provided by the wholesale generator.

6. (1) Each qualified electric energy generation unit used by a customer-generator shall meet all applicable safety, performance, interconnection, and reliability standards established by any local code authorities, the National Electrical Code, the National Electrical Safety Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories for distributed generation. No supplier shall impose any fee, charge, or other requirement not specifically authorized by this section or the rules promulgated under subsection 9 of this section unless the fee, charge, or other requirement would apply to similarly situated customers who are not customer-generators, except that a retail electric supplier may require that a customer-generator's system contain a switch, circuit breaker, fuse, or other easily accessible device or feature located in immediate proximity to the customer-generator's metering equipment that would allow a utility worker the ability to manually and instantly disconnect the unit from the utility's electric distribution system.

(2) For systems of ten kilowatts or less, a customer-generator whose system meets the standards and rules under subdivision (1) of this subsection shall not be required to install additional controls, perform or pay for additional tests or distribution equipment, or purchase additional

liability insurance beyond what is required under subdivision (1) of this subsection and subsection 4 of this section.

(3) For customer-generator systems of greater than ten kilowatts, the commission for public utilities and the governing body for other utilities shall, by rule or equivalent formal action by each respective governing body:

(a) Set forth safety, performance, and reliability standards and requirements; and

(b) Establish the qualifications for exemption from a requirement to install additional controls, perform or pay for additional tests or distribution equipment, or purchase additional liability insurance.

7. (1) Applications by a customer-generator for interconnection of a qualified electric energy generation unit meeting the requirements of subdivision (3) of subsection 2 of this section to the distribution system shall be accompanied by the plan for the customer-generator's electrical generating system, including but not limited to a wiring diagram and specifications for the generating unit, and shall be reviewed and responded to by the retail electric supplier within thirty days of receipt for systems ten kilowatts or less and within ninety days of receipt for all other systems. Prior to the interconnection of the qualified generation unit to the supplier's system, the customer-generator will furnish the retail electric supplier a certification from a qualified professional electrician or engineer that the installation meets the requirements of subdivision (1) of subsection 6 of this section. If the application for interconnection is approved by the retail electric supplier and the customer-generator does not complete the interconnection within one year after

195 receipt of notice of the approval, the approval shall expire
196 and the customer-generator shall be responsible for filing a
197 new application.

198 (2) Upon the change in ownership of a qualified
199 electric energy generation unit, the new customer-generator
200 shall be responsible for filing a new application under
201 subdivision (1) of this subsection.

202 8. Each commission-regulated supplier shall submit an
203 annual net metering report to the commission, and all other
204 nonregulated suppliers shall submit the same report to their
205 respective governing body and make said report available to
206 a consumer of the supplier upon request, including the
207 following information for the previous calendar year:

- 208 (1) The total number of customer-generator facilities;
209 (2) The total estimated generating capacity of its net-
210 metered customer-generators; and
211 (3) The total estimated net kilowatt-hours received
212 from customer-generators.

213 9. The commission shall, within nine months of January
214 1, 2008, promulgate initial rules necessary for the
215 administration of this section for public utilities, which
216 shall include regulations ensuring that simple contracts
217 will be used for interconnection and net metering. For
218 systems of ten kilowatts or less, the application process
219 shall use an all-in-one document that includes a simple
220 interconnection request, simple procedures, and a brief set
221 of terms and conditions. Any rule or portion of a rule, as
222 that term is defined in section 536.010, that is created
223 under the authority delegated in this section shall become
224 effective only if it complies with and is subject to all of
225 the provisions of chapter 536 and, if applicable, section
226 536.028. 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, 2007, shall be invalid and void.

10. The governing body of a rural electric cooperative or municipal utility shall, within nine months of January 1, 2008, adopt policies establishing a simple contract to be used for interconnection and net metering. For systems of ten kilowatts or less, the application process shall use an all-in-one document that includes a simple interconnection request, simple procedures, and a brief set of terms and conditions.

11. For any cause of action relating to any damages to property or person caused by the generation unit of a customer-generator or the interconnection thereof, the retail electric supplier shall have no liability absent clear and convincing evidence of fault on the part of the supplier.

12. The estimated generating capacity of all net metering systems operating under the provisions of this section shall count towards the respective retail electric supplier's accomplishment of any renewable energy portfolio target or mandate adopted by the Missouri general assembly.

13. The sale of qualified electric generation units to any customer-generator shall be subject to the provisions of sections 407.700 to 407.720. The attorney general shall have the authority to promulgate in accordance with the provisions of chapter 536 rules regarding mandatory disclosures of information by sellers of qualified electric generation units. Any interested person who believes that

the seller of any electric generation unit is misrepresenting the safety or performance standards of any such systems, or who believes that any electric generation unit poses a danger to any property or person, may report the same to the attorney general, who shall be authorized to investigate such claims and take any necessary and appropriate actions.

14. Any costs incurred under this act by a retail electric supplier shall be recoverable in that utility's rate structure.

15. No consumer shall connect or operate an electric generation unit in parallel phase and synchronization with any retail electric supplier without written approval by said supplier that all of the requirements under subdivision (1) of subsection 7 of this section have been met. For a consumer who violates this provision, a supplier may immediately and without notice disconnect the electric facilities of said consumer and terminate said consumer's electric service.

16. The manufacturer of any electric generation unit used by a customer-generator may be held liable for any damages to property or person caused by a defect in the electric generation unit of a customer-generator.

17. The seller, installer, or manufacturer of any electric generation unit who knowingly misrepresents the safety aspects of an electric generation unit may be held liable for any damages to property or person caused by the electric generation unit of a customer-generator.

393.1025. As used in sections 393.1020 to 393.1030, the following terms mean:

(1) "Commission", the public service commission;

4 (2) "Department", the department of [economic
5 development] **natural resources**;

6 (3) "Electric utility", any electrical corporation as
7 defined by section 386.020;

8 (4) "Renewable energy credit" or "REC", a tradeable
9 certificate of proof that one megawatt-hour of electricity
10 has been generated from renewable energy sources; and

11 (5) "Renewable energy resources", electric energy
12 produced from wind, solar thermal sources, photovoltaic
13 cells and panels, dedicated crops grown for energy
14 production, cellulosic agricultural residues, plant
15 residues, methane from landfills, from agricultural
16 operations, or from wastewater treatment, thermal
17 depolymerization or pyrolysis for converting waste material
18 to energy, clean and untreated wood such as pallets,
19 hydropower (not including pumped storage) that does not
20 require a new diversion or impoundment of water and that has
21 a nameplate rating of ten megawatts or less, fuel cells
22 using hydrogen produced by one of the above-named renewable
23 energy sources, and other sources of energy not including
24 nuclear that become available after November 4, 2008, and
25 are certified as renewable by rule by the department.

 414.400. 1. As used in sections 414.400 to 414.417,
2 the following terms mean:

3 (1) "Alternative fuel", any fuel, including any
4 alcohol fuel containing eighty-five percent or more by
5 volume of such alcohol or other such percentage not less
6 than seventy percent if determined by the United States
7 Department of Energy by rule to be necessary to provide for
8 the requirements of cold start, safety, or vehicle
9 functions, natural gas, liquefied petroleum gas, any fuel
10 other than alcohol derived from biological materials when

designated by the United States Department of Energy as an alternative fuel, and hydrogen, or any power source, including electricity, and any other fuel that the United States Department of Energy determines by final rule is substantially not petroleum and would yield substantial energy security and environmental benefits, used in a vehicle that complies with the standards and requirements applicable to such vehicle pursuant to sections 414.400 to 414.417 when using such fuel or power source;

(2) "CAFE standard", the federal Corporate Average Fuel Economy standard, 15 U.S.C. Section 2002 or 40 CFR Parts 86 and 600 or 49 CFR Part 538 or proposed rule 49 CFR Part 538 until such rule is finalized;

(3) "Department", the department of [economic development] **natural resources**;

(4) "Director", the director of the department of [economic development] **natural resources**;

(5) "State agency", the same meaning as such term is defined in section 536.010;

(6) "Vehicle fleet", any fleet comprised of vehicles with a manufacturer's gross vehicle weight rating of not more than eight thousand five hundred pounds registered for operation on the highways of this state pursuant to chapter 301.

2. The department in consultation with the commissioner of administration shall develop and implement a program to manage and progressively reduce state agency vehicle fleet fuel consumption and promote the use of alternative fuels. The program shall require state agencies to meet minimum guidelines for efficient fleet management. Such guidelines shall be updated and revised every two years and shall require the overall vehicle fleet fuel efficiency

43 for each agency to meet or exceed the fuel efficiency that
44 would be achieved if each vehicle in the agency's fleet met
45 the CAFE standard. The department may promulgate rules
46 necessary to implement such guidelines. Further, provided
47 that suppliers or state agencies have or can reasonably be
48 expected to have established alternative fuel refueling
49 stations as needed, the program shall require that at least
50 thirty percent of all motor fuel purchased annually for use
51 in alternative fuel vehicles, calculated in gasoline gallon
52 equivalents, to be alternative fuel by July 1, 2001. Any
53 alternative fuel purchased by a state agency for use in
54 vehicles not included in their vehicle fleet as defined in
55 subsection 1 of this section, calculated in gasoline gallon
56 equivalents, may be credited toward the annual alternative
57 fuel purchase goal. The program shall systematically
58 replace existing state-owned vehicles and vehicles paid for
59 with any state money, including vehicles purchased by the
60 university system, with vehicles manufactured, assembled or
61 produced in the United States, as required by sections
62 34.350 to 34.359.

63 3. The commissioner of administration shall identify
64 specific vehicle models within each vehicle procurement
65 class that meet or exceed the CAFE standard. State agencies
66 shall identify specific vehicle models within each vehicle
67 procurement class that have a life cycle cost which is less
68 than or equal to the average life cycle cost of those
69 vehicles in the class which are manufactured, assembled or
70 produced in the United States. Life cycle costs shall
71 include but are not limited to the original cost of the
72 vehicle, conversion cost if applicable, costs associated
73 with vehicle emissions to the extent that such statistics
74 are available, and projected cost of operation, including

75 fuel cost and maintenance and salvage value to the extent
76 that reliable maintenance and salvage value statistics are
77 available. Unless a state agency submits to the department
78 a fleet efficiency plan that complies with the minimum
79 guidelines for energy efficiency established pursuant to
80 subsection 2 of this section, or unless otherwise approved
81 by the office of administration pursuant to subsection 4 of
82 this section, all purchases of vehicles for state agency
83 vehicle fleets shall meet the above standards.

84 4. The commissioner of administration may waive the
85 CAFE standard requirements of subsection 3 of this section,
86 for only those vehicles which satisfy one or more of the
87 following conditions, for any state agency upon receipt of
88 documentation that has been certified by the director of the
89 state agency as satisfying one or more of the following
90 conditions:

91 (1) Such vehicles are used primarily in off-road,
92 construction, or road maintenance applications;

93 (2) Such vehicles are regularly used in the movement
94 of maintenance or construction equipment;

95 (3) Such vehicles are trucks or utility vehicles as
96 defined by the office of administration that are regularly
97 used to transport trailers for the purpose of moving state
98 equipment; or

99 (4) Such vehicles are vehicles with manufacturer-
100 stated seating capacity exceeding that for six persons and
101 the director of the agency has certified that the vehicle
102 will be used to transport its rated capacity in persons
103 and/or cargo. Agencies which are granted such waivers shall
104 comply with the planning requirements of section 414.403.

105 5. The purchase of all class III vehicles, as defined
106 by the office of administration, shall be approved through

107 the appropriations process for all departments except the
108 highway patrol. The provisions of this subsection shall not
109 apply to the purchase of used vehicles from the highway
110 patrol.

414.406. 1. The director of the department of
2 [economic development] **natural resources** shall review each
3 agency's vehicle fleet plan and the vehicular demands of the
4 agency by vehicle class. The office of administration shall
5 only purchase for an agency those vehicles which conform to
6 the agency's plan as outlined in sections 414.400 and
7 414.403.

8 2. Each state agency shall annually file a report with
9 the director of the department of [economic development]
10 **natural resources** on forms provided by the department
11 showing its progress in achieving the requirements and goals
12 of sections 414.400 to 414.417. The director of the
13 department of [economic development] **natural resources** shall
14 compile such information into an annual report and submit
15 such report to the commissioner of administration, the
16 secretary of the senate, the clerk of the house of
17 representatives and the chairman of each committee of
18 jurisdiction of the general assembly.

19 3. The director's report shall document progress in
20 achieving the requirements and goals of sections 414.400 to
21 414.417 and shall include, but not be limited to, annual
22 fuel consumption, number of vehicles, vehicle miles
23 traveled, average fleet fuel economy, estimated cost savings
24 and state use of alternative fuels.

414.417. 1. Sections 414.400 to 414.417 shall not
2 apply to the purchase or lease of a vehicle to be used
3 primarily for criminal law enforcement or to the purchase or
4 lease of a motorcycle, all-terrain vehicle, ambulance, or

5 any type of vehicle for which the Environmental Protection
6 Agency has not published fuel economy comparisons.

7 2. Notwithstanding the provisions of sections 414.400
8 to 414.417, the department of natural resources [and the
9 department of economic development] may acquire vehicles
10 which use alternative fuels for the purposes of assessing
11 and demonstrating either or both alternative vehicles and
12 alternative fuels.

414.510. As used in sections 414.500 to 414.590, the
2 following terms mean:

3 (1) "Council", the Missouri propane education and
4 research council created pursuant to section 414.530;

5 (2) "Director", the director of the division of energy
6 of the department of [economic development] **natural**
7 **resources** or the director's designee;

8 (3) "Education", any action to provide information on
9 propane, propane use equipment, mechanical and technical
10 practices, and propane uses to consumers and to members of
11 the propane industry;

12 (4) "Manufacturers and distributors of LP-gas use
13 equipment", any person or firm engaged in the manufacturing,
14 assembling and marketing of appliances, containers and
15 products used in the LP-gas industry, and those persons and
16 firms in the wholesale marketing of appliances, containers
17 and products used in the LP-gas industry;

18 (5) "Marketing", any action taken by the council to
19 present positive information about propane to the public,
20 including paid promotional advertising;

21 (6) "Person", any individual, group of individuals,
22 partnership, association, cooperative, corporation, or any
23 other entity;

24 (7) "Producer", the owner of the propane at the time
25 it is recovered at a manufacturing facility, irrespective of
26 the state where production occurs;

27 (8) "Propane" includes propane, butane, mixtures, and
28 liquefied petroleum gas as defined by the National Fire
29 Protection Association Standard 58 for the storage and
30 handling of liquefied petroleum gases;

31 (9) "Public member", a member of the council selected
32 from among significant users of odorized propane,
33 organizations representing significant users of odorized
34 propane, public safety officials, state propane gas
35 regulatory officials, or voluntary standard-setting
36 organizations;

37 (10) "Qualified industry organization", the National
38 Propane Gas Association, the Missouri Propane Gas
39 Association, the Gas Processors Association, or a successor
40 association;

41 (11) "Research", any type of study, investigation or
42 other activity designed to advance the image, desirability,
43 usage, marketability, efficiency and safety of propane and
44 propane use equipment, and to further the development of
45 such information and products;

46 (12) "Retail marketer", a business engaged primarily
47 in the selling of propane gas, its appliances and equipment
48 to the ultimate consumer or to retail propane dispensers;

49 (13) "Transporter", any person involved in the
50 commercial transportation of propane by pipeline, truck,
51 rail or water;

52 (14) "Wholesaler" or "reseller", a seller of propane
53 who is not a producer and who does not sell propane to the
54 ultimate consumer.

620.010. 1. There is hereby created a "Department of
2 Economic Development" to be headed by a director appointed
3 by the governor, by and with the advice and consent of the
4 senate. All of the general provisions, definitions and
5 powers enumerated in section 1 of the Omnibus State
6 Reorganization Act of 1974 shall continue to apply to this
7 department and its divisions, agencies and personnel.

8 2. [The powers, duties and functions vested in the
9 public service commission, chapters 386, 387, 388, 389, 390,
10 392, 393, and others, and the administrative hearing
11 commission, sections 621.015 to 621.198 and others, are
12 transferred by type III transfers to the department of
13 economic development. The director of the department is
14 directed to provide and coordinate staff and equipment
15 services to these agencies in the interest of facilitating
16 the work of the bodies and achieving optimum efficiency in
17 staff services common to all the bodies. Nothing in the
18 Reorganization Act of 1974 shall prevent the chairman of the
19 public service commission from presenting additional budget
20 requests or from explaining or clarifying its budget
21 requests to the governor or general assembly.

22 3. The powers, duties and functions vested in the
23 office of the public counsel are transferred by type III
24 transfer to the department of economic development. Funding
25 for the general counsel's office shall be by general revenue.

26 4. The public service commission is authorized to
27 employ such staff as it deems necessary for the functions
28 performed by the general counsel other than those powers,
29 duties and functions relating to representation of the
30 public before the public service commission.

31 5.] All the powers, duties and functions vested in the
32 tourism commission, chapter 258 and others, are transferred

33 to the "Division of Tourism", which is hereby created, by
34 type III transfer.

35 [6.] 3. All the powers, duties and functions of the
36 department of community affairs, chapter 251 and others, not
37 otherwise assigned, are transferred by type I transfer to
38 the department of economic development, and the department
39 of community affairs is abolished. The director of the
40 department of economic development may assume all the duties
41 of the director of community affairs or may establish within
42 the department such subunits and advisory committees as may
43 be required to administer the programs so transferred. The
44 director of the department shall appoint all members of such
45 committees and heads of subunits.

46 [7.] 4. The Missouri housing development commission,
47 chapter 215, is assigned to the department of economic
48 development, but shall remain a governmental instrumentality
49 of the state of Missouri and shall constitute a body
50 corporate and politic.

51 [8. All the authority, powers, duties, functions,
52 records, personnel, property, matters pending and other
53 pertinent vestiges of the division of manpower planning of
54 the department of social services are transferred by a type
55 I transfer to the "Division of Workforce Development", which
56 is hereby created, within the department of economic
57 development. The division of manpower planning within the
58 department of social services is abolished. The provisions
59 of section 1 of the Omnibus State Reorganization Act of
60 1974, Appendix B, relating to the manner and procedures for
61 transfers of state agencies shall apply to the transfers
62 provided in this section.

63 9. All the authority, powers, functions, records,
64 personnel, property, contracts, matters pending and other

65 pertinent vestiges of the division of employment security
66 within the department of labor and industrial relations
67 related to job training and labor exchange that are funded
68 with or based upon Wagner-Peyser funds, and other federal
69 and state workforce development programs administered by the
70 division of employment security are transferred by a type I
71 transfer to the division of workforce development within the
72 department of economic development.

73 10.] 5. Any rule or portion of a rule, as that term is
74 defined in section 536.010, that is created under the
75 authority delegated in this section shall become effective
76 only if it complies with and is subject to all of the
77 provisions of chapter 536 and, if applicable, section
78 536.028. This section and chapter 536 are nonseverable and
79 if any of the powers vested with the general assembly
80 pursuant to chapter 536 to review, to delay the effective
81 date, or to disapprove and annul a rule are subsequently
82 held unconstitutional, then the grant of rulemaking
83 authority and any rule proposed or adopted after August 28,
84 2008, shall be invalid and void.

 [620.035.] 640.021. 1. The department of [economic
2 development] **natural resources** shall be vested with the
3 powers and duties prescribed by law and shall have the power
4 to carry out the following activities:

5 (1) Assessing the impact of national energy policies
6 on this state's supply and use of energy and this state's
7 public health, safety and welfare;

8 (2) Consulting and cooperating with all state and
9 federal governmental agencies, departments, boards and
10 commissions and all other interested agencies and
11 institutions, governmental and nongovernmental, public and

private, on matters of energy research and development,
management, conservation and distribution;

(3) The monitoring and analyzing of all federal,
state, local and voluntarily disclosed private sector energy
research projects and voluntarily disclosed private sector
energy related data and information concerning supply and
consumption, in order to plan for the future energy needs of
this state. All information gathered shall be maintained,
revised and updated as an aid to any interested person,
foundation or other organization, public or private;

(4) Analyzing the potential for increased utilization
of coal, nuclear, solar, resource recovery and reuse,
landfill gas, projects to reduce and capture methane and
other greenhouse gas emissions from landfills, energy
efficient technologies and other energy alternatives, and
making recommendations for the expanded use of alternate
energy sources and technologies;

(5) Entering into cooperative agreements with other
states, political subdivisions, private entities, or
educational institutions for the purpose of seeking and
securing federal grants for the department and its partners
in the grants;

(6) The development and promotion of state energy
conservation programs, including:

(a) Public education and information in energy-related
areas;

(b) Developing energy efficiency standards for
agricultural and industrial energy use and for new and
existing buildings, to be promoted through technical
assistance efforts by cooperative arrangements with
interested public, business and civic groups and by
cooperating with political subdivisions of this state;

44 (c) Preparing plans for reducing energy use in the
45 event of an energy or other resource supply emergency.

46 2. No funds shall be expended to implement the
47 provisions of this section until funds are specifically
48 appropriated for that purpose. In order to carry out its
49 responsibilities under this section, the department may
50 expend any such appropriated funds by entering into
51 agreements, contracts, grants, subgrants, or cooperative
52 arrangements under various terms and conditions in the best
53 interest of the state with other state, federal, or
54 interstate agencies, political subdivisions, not-for-profit
55 entities or organizations, educational institutions, or
56 other entities, both public and private, to carry out its
57 responsibilities.

640.153. 1. As used in this section, the following
2 terms mean:

3 (1) "Applicant", an entity that applies to the
4 department for certification as a qualified home energy
5 auditor;

6 (2) "Department", the department of [economic
7 development] **natural resources**;

8 (3) "Qualified home energy audit", a home energy audit
9 conducted by an entity certified by the department as a
10 qualified home energy auditor, the purpose of which is to
11 provide energy efficiency recommendations that will reduce
12 the energy use or the utility costs, or both, of a
13 residential or commercial building;

14 (4) "Qualified home energy auditor", an applicant who
15 has met the certification requirements established by the
16 department and whose certification has been approved by the
17 department.

18 2. The department shall develop criteria and
19 requirements for certification of qualified home energy
20 auditors. Any applicant shall provide the department with
21 an application, documentation, or other information as the
22 department may require. The department may establish
23 periodic requirements for qualified home energy auditors to
24 maintain certification.

25 3. The department shall provide successful applicants
26 with written notice that the applicant meets the
27 certification requirements.

 640.157. The division of energy of the department of
2 [economic development] **natural resources** shall serve as a
3 central point of coordination for activities relating to
4 energy sustainability in the state. As such, the division
5 of energy shall:

6 (1) Consult and cooperate with other state agencies to
7 serve as a technical advisor on sustainability issues,
8 including but not limited to renewable energy use and green
9 building design and construction;

10 (2) Provide technical assistance to local governments,
11 businesses, schools, and homeowners on sustainability
12 issues, including but not limited to renewable energy use
13 and green building design and construction; and

14 (3) Conduct outreach and education efforts, which may
15 be in coordination with community action agencies, for the
16 purpose of informing the general public about financial
17 assistance opportunities for energy conservation, including
18 but not limited to tax incentives.

 640.160. 1. There is hereby created in the state
2 treasury the "Energy Futures Fund" which shall consist of
3 money appropriated by the general assembly or received from
4 gifts, bequests, donations, or from the federal government.

5 The state treasurer shall be custodian of the fund and may
6 approve disbursements from the fund in accordance with
7 sections 30.170 and 30.180. Notwithstanding the provisions
8 of section 33.080 to the contrary, any moneys remaining in
9 the fund at the end of the biennium shall not revert to the
10 credit of the general revenue fund. The state treasurer
11 shall invest moneys in the fund in the same manner as other
12 funds are invested. Any interest and moneys earned on such
13 investments shall be credited to the fund.

14 2. Upon appropriation, the department of [economic
15 development] **natural resources** may use moneys in the fund
16 created under this section for the purposes of carrying out
17 the provisions of section [620.035] **640.021** and sections
18 640.153 to 640.160 including, but not limited to, energy
19 efficiency programs, energy studies, energy resource
20 analyses, or energy projects. After appropriation, the
21 department may also expend funds for the administration and
22 management of energy responsibilities and activities
23 associated with projects and studies funded from the energy
24 futures fund.

640.651. As used in sections 640.651 to 640.686, the
2 following terms mean:

3 (1) "Applicant", any school, hospital, small business,
4 local government or other energy-using sector or entity
5 authorized by the department through administrative rule,
6 which submits an application for loans or financial
7 assistance to the department;

8 (2) "Application cycle", the period of time each year,
9 as determined by the department, that the department shall
10 accept and receive applications seeking loans or financial
11 assistance under the provisions of sections 640.651 to
12 640.686;

13 (3) "Authority", the environmental improvement and
14 energy resources authority;

15 (4) "Borrower", a recipient of loan or other financial
16 assistance program funds subsequent to the execution of loan
17 or financial assistance documents with the department or
18 other applicable parties provided that a building owned by
19 the state or an agency thereof other than a state college or
20 state university, shall not be eligible for loans or
21 financial assistance pursuant to sections 640.651 to 640.686;

22 (5) "Building", including initial installation in a
23 new building, any applicant-owned and -operated structure,
24 group of closely situated structural units that are
25 centrally metered or served by a central utility plant, or
26 an eligible portion thereof, which includes a heating or
27 cooling system, or both;

28 (6) "Department", the department of [economic
29 development] **natural resources**;

30 (7) "Energy conservation loan account", an account to
31 be established on the books of a borrower for purposes of
32 tracking information related to the receipt or expenditure
33 of the loan funds or financial assistance, and to be used to
34 receive and remit energy cost savings for purposes of making
35 payments on the loan or financial assistance;

36 (8) "Energy conservation measure" or "ECM", an
37 installation or modification of an installation in a
38 building or replacement or modification to an energy-
39 consuming process or system which is primarily intended to
40 maintain or reduce energy consumption and reduce energy
41 costs, or allow the use of an alternative or renewable
42 energy source;

43 (9) "Energy conservation project" or "project", the
44 design, acquisition, installation, and implementation of one
45 or more energy conservation measures;

46 (10) "Energy cost savings" or "savings", the value, in
47 terms of dollars, that has or is estimated to accrue from
48 energy savings or avoided costs due to implementation of an
49 energy conservation project;

50 (11) "Estimated simple payback", the estimated cost of
51 a project divided by the estimated energy cost savings;

52 (12) "Fund", the energy set-aside program fund
53 established in section 640.665;

54 (13) "Hospital", a facility as defined in subsection 2
55 of section 197.020, including any medical treatment or
56 related facility controlled by a hospital board;

57 (14) "Hospital board", the board of directors having
58 general control of the property and affairs of the hospital
59 facility;

60 (15) "Loan agreement", a document agreed to by the
61 borrower's school, hospital or corporate board, principals
62 of a business, the governing body of a local government or
63 other authorized officials and the department or other
64 applicable parties and signed by the authorized official
65 thereof, that details all terms and requirements under which
66 the loan is issued or other financial assistance granted,
67 and describes the terms under which the loan or financial
68 assistance repayment shall be made;

69 (16) "Payback score", a numeric value derived from the
70 review of an application, calculated as prescribed by the
71 department, which may include an estimated simple payback or
72 life-cycle costing method of economic analysis and used
73 solely for purposes of ranking applications for the

74 selection of loan and financial assistance recipients within
75 the balance of program funds available;

76 (17) "Project cost", all costs determined by the
77 department to be directly related to the implementation of
78 an energy conservation project, and, for initial
79 installation in a new building, shall include the
80 incremental cost of a high-efficiency system;

81 (18) "School", an institution operated by a state
82 college or state university, public agency, political
83 subdivision or a public or private nonprofit organization
84 tax exempt under Section 501(c)(3) of the Internal Revenue
85 Code which:

86 (a) Provides, and is legally authorized to provide,
87 elementary education or secondary education, or both, on a
88 day or residential basis;

89 (b) Provides and is legally authorized to provide a
90 program of education beyond secondary education, on a day or
91 residential basis; admits as students only persons having a
92 certificate of graduation from a school providing secondary
93 education, or the recognized equivalent of such certificate;
94 is accredited by a nationally recognized accrediting agency
95 or association; and provides an educational program for
96 which it awards a bachelor's degree or higher degree or
97 provides not less than a two-year program which is
98 acceptable for full credit toward such a degree at any
99 institution which meets the preceding requirements and which
100 provides such a program; or

101 (c) Provides not less than a one-year program of
102 training to prepare students for gainful employment in a
103 recognized occupation; provides and is legally authorized to
104 provide a program of education beyond secondary education,
105 on a day or residential basis; admits as students only

106 persons having a certificate of graduation from a school
107 providing secondary education, or the recognized equivalent
108 of such certificate; and is accredited by a nationally
109 recognized accrediting agency or association;

110 (19) "School board", the board of education having
111 general control of the property and affairs of any school as
112 defined in this section;

113 (20) "Technical assistance report", a specialized
114 engineering report that identifies and specifies the
115 quantity of energy savings and related energy cost savings
116 that are likely to result from the implementation of one or
117 more energy conservation measures;

118 (21) "Unobligated balance", that amount in the fund
119 that has not been dedicated to any projects at the end of
120 each state fiscal year.

640.653. 1. An application for loan funds or other
2 financial assistance may be submitted to the department for
3 the purpose of financing all or a portion of the costs
4 incurred in implementing an energy conservation project.
5 The application shall be accompanied by a technical
6 assistance report. The application and the technical
7 assistance report shall be in such form and contain such
8 information, financial or otherwise, as prescribed by the
9 department. This section shall not preclude any applicant
10 or borrower from joining in a cooperative project with any
11 other local government or with any state or federal agency
12 or entity in an energy conservation project; provided that,
13 all other requirements of sections 640.651 to 640.686 are
14 met.

15 2. Eligible applications shall be assigned a payback
16 score derived from the application review performed by the
17 department. Applications shall be selected for loans and

financial assistance beginning with the lowest payback score and continuing in ascending order to the highest payback score until all available program funds have been obligated within any given application cycle. The selection criteria may be applied per sector or entity to assure equity pursuant to section 640.674. In no case shall a loan or financial assistance be made to finance an energy project with a payback score of less than six months or more than ten years or eighty percent of the expected useful life of the energy conservation measures when the expected useful life exceeds ten years. Repayment periods are to be determined by the department. Applications may be approved for loans or financial assistance only in those instances where the applicant has furnished the department information satisfactory to assure that the project cost will be recovered through energy cost savings during the repayment period of the loan or financial assistance. In no case shall a loan or financial assistance be made to an applicant unless the approval of the governing board or body of the applicant to the loan agreement is obtained and a written certification of such approval is provided, where applicable.

3. The department shall approve or disapprove all applications for loans or financial assistance which are sent by certified or registered mail or hand delivered and received by the department's division of energy on, or prior to, the ninetieth day following the date of application cycle closing. Any applications which are not acted upon by the department by such date shall be deemed to be approved as submitted.

4. The department of elementary and secondary education shall be provided a summary of all proposed public elementary and secondary school projects for review within

50 fifteen days from the application deadline. Once projects
51 have been reviewed and selected for loans or financial
52 assistance by the department, the department of elementary
53 and secondary education shall have thirty days to certify
54 that those projects selected for loans or financial
55 assistance are consistent with related state programs for
56 public education facilities.

57 5. The department of health and senior services shall
58 be provided a summary of all proposed hospital projects for
59 review within fifteen days from the application deadline.
60 Once projects have been reviewed and selected for loans or
61 financial assistance by the department of [economic
62 development] **natural resources**, the department of health and
63 senior services shall have thirty days to certify that those
64 projects selected for loans or financial assistance are
65 consistent with related health requirements for hospital
66 facilities.

67 6. The coordinating board for higher education shall
68 be provided a summary of all proposed public higher
69 education facility projects for review within fifteen days
70 from the application deadline. Once projects have been
71 reviewed and selected for loans and financial assistance by
72 the department, the coordinating board for higher education
73 shall have thirty days to certify that those projects
74 selected for loans or financial assistance are consistent
75 with related state programs for education facilities.

660.135. 1. The utilicare stabilization fund for any
2 fiscal year shall be funded, subject to appropriations, by
3 the general assembly.

4 2. The department of social services shall, in
5 coordination with the department of [economic development]
6 **natural resources**, apply a portion of the funds appropriated

7 annually by the general assembly to the utilicare
8 stabilization fund established pursuant to section 660.136
9 to the low income weatherization assistance program of the
10 department of [economic development] **natural resources**;
11 provided that any project financed with such funds shall be
12 consistent with federal guidelines for the Weatherization
13 Assistance Program for Low-Income Persons as authorized by
14 42 U.S.C. Section 6861.

701.500. 1. As used in sections 701.500 to 701.515,
2 the following terms shall mean:

3 (1) "Department", the department of [economic
4 development] **natural resources**;

5 (2) "Director", the director of the department of
6 [economic development] **natural resources**;

7 (3) "Energy Star program", a joint program of the
8 United States Environmental Protection Agency and the United
9 States Department of Energy that identifies and promotes
10 energy efficient products and practices.

11 2. The provisions of sections 701.500 to 701.515 shall
12 apply to appliances that do not have minimum energy
13 efficiency standards required under federal law.

14 3. No person shall sell, offer for sale, or install
15 any new product listed in subsection 2 of this section in
16 the state unless the product meets the minimum energy
17 efficiency standards under sections 701.500 to 701.515.

18 4. The provisions of sections 701.500 to 701.515 shall
19 not apply to:

20 (1) Consumer electronics; or

21 (2) Products:

22 (a) Manufactured in the state and sold outside the
23 state;

24 (b) Manufactured outside the state and sold at
25 wholesale inside the state for final retail sale outside the
26 state;

27 (c) Installed in mobile manufactured homes at the time
28 of construction; or

29 (d) Designed expressly for installation and use in
30 recreational vehicles.

701.509. 1. The "Appliance Energy Efficiency Advisory
2 Group" is hereby created. The purpose of the advisory group
3 is to advise the department on the development and updating
4 of the minimum energy efficiency standards for products
5 under sections 701.500 to 701.515. The advisory group shall
6 consist of the following eleven members who shall be
7 appointed, in staggered terms, by the director:

8 (1) A representative from the public service
9 commission who is knowledgeable in energy efficiency;

10 (2) A representative of the office of public counsel;

11 (3) A representative of an electric or natural gas
12 utility who is knowledgeable in energy efficiency;

13 (4) The director of the division of energy of the
14 department of [economic development] **natural resources**, or
15 his or her designee;

16 (5) Two representatives from the appliance
17 manufacturing industry;

18 (6) Three representatives with technical knowledge in
19 energy efficiency and appliances, including but not limited
20 to, electrical or energy engineers;

21 (7) One representative from the home construction
22 industry; and

23 (8) One representative from the commercial building
24 industry.

25 2. Each member shall serve a term of three years and
26 may be reappointed. The advisory group members shall serve
27 without compensation but may be reimbursed for expenses
28 incurred in connection with their duties. The advisory
29 group shall meet as needed, but not less than two times per
30 year. The department shall provide staff for the advisory
31 group.

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