

SENATE COMMITTEE SUBSTITUTE

FOR

SENATE BILL NO. 1060

AN ACT

To amend chapter 247, RSMo, by adding thereto two new sections relating to the regulation of public water supply districts, with an emergency clause.

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

Section A. Chapter 247, RSMo, is amended by adding thereto two new sections, to be known as sections 247.181 and 247.229, to read as follows:

247.181. 1. As an alternative to detachment pursuant to provisions of this chapter, the owners of record of fifty percent or more of the area of any tract of land located within a public water supply district organized under the provisions of sections 247.010 to 247.220, and that is not receiving water service from such district, may petition the circuit court of the county in which the territory proposed to be detached is situated for expedited detachment of such territory from the district, and the petitioners shall be entitled to such detachment if the following conditions are satisfied as of the date the petition is filed:

(1) No voters reside within the territory proposed to be detached, as shown by the records of the county election authority, as defined in section 115.015;

(2) No water lines or other facilities owned or operated by the district are located on or under the territory proposed to be detached;

(3) No general obligation bonds of the district are outstanding; and

(4) The proposed territory to be detached is located in any county:

- (a) With a charter form of government;
- (b) Within the boundaries of which there are two or more public water supply districts in existence on August 28, 2026, that are organized under the provisions of sections 247.010 to 247.220; and
- (c) Which is adjacent to a county adjoining a city not located within a county.

2. The petition shall include:

- (1) A legal description of the territory proposed to be detached;
- (2) An affidavit by the petitioners affirming satisfaction of the conditions set forth in subsection 1 of this section; and
- (3) A request that the circuit court order detachment pursuant to the provisions of this section.

3. On the day a petitioner files the petition in the circuit court pursuant to the provisions of this section, the petitioner shall send, via certified mail, a return receipt requested, a copy of the petition to the district, to the county election authority, the county clerk, and the secretary of state.

4. The election authority of the county shall, following receipt of the petition, issue a certificate, dated as of the date of issuance, stating whether the records of the election authority show any voters residing within the territory proposed to be detached. The election authority shall file such issued certificate with the circuit court, and shall serve a copy of such certificate upon the petitioners. The certificate shall be issued by the election authority and filed with the circuit court no later than thirty days following the date on which the election authority receives the petition. If the election authority fails to issue the certificate and file such

certificate with the circuit court within such thirty day period, then, for purposes of evaluating whether the conditions set forth in subsection 1 of this section are satisfied, the court shall treat such failure as equivalent to certification that no voters reside within the territory proposed to be detached. The petitioner shall be responsible for payment of the reasonable costs of the election authority for providing such certificate.

5. The board of directors of the district shall, following receipt of the petition, file with the circuit court a verification under oath, signed by an authorized officer or agent of the district, stating whether any water lines or other facilities owned or operated by the district are located on or under the territory proposed to be detached and whether the district has any outstanding general obligation bonds as of the time the petition is filed. The district shall also serve a copy of such verification on the petitioners. The verification shall be filed with the court and served upon the petitioners no later than thirty days following the date on which the district receives the petition. If the board of directors fails to file the verification within such thirty day period, for purposes of evaluating whether the conditions set forth in subsection 1 of this section are satisfied, the court shall treat such failure as equivalent to the verification under oath from the district that no water lines or other facilities owned or operated by the district are located on or under the territory proposed to be detached and that the district has no outstanding general obligation bonds as of the time the petition is filed. The petitioner shall be responsible for payment of the reasonable costs of the district for providing such verification.

6. Within sixty days from the filing of the petition or thirty days from the filing of the district's verification or thirty days from the filing of the election authority's certificate, whichever is later, the court shall set a public hearing date on the proposed detachment and the clerk of the circuit court shall give notice of the filing of the petition and the hearing in a newspaper of general circulation in the county in which the proceedings are pending. The notice shall contain a description of the territory proposed to be detached, and shall set forth the date fixed for the hearing on the petition, which shall not be less than seven nor more than twenty-one days after the date of the last publication of the notice and shall be set on a regular judicial day of the court wherein the petition is pending. Such notice shall include a statement that all interested persons shall be given an opportunity to be heard at the public hearing. Such notice shall be signed by the clerk of the circuit court and shall be published in three successive issues of a weekly newspaper or in a daily newspaper once a week for three consecutive weeks.

7. At the public hearing, any interested person may file with the court written objections to, or comments on, and may be heard orally with respect to any issues set forth in the notice. The court may hear all protests, objections, comments, and other evidence presented at the hearing.

8. The court shall thereafter determine if the petition satisfies the conditions set forth in subsection 1 of this section and whether the petitioners are entitled to detachment under this section, or if the petition is defective. If the court determines that the petition satisfies the conditions set forth in subsection 1 of this section as of the date the petition is filed, the petitioners shall be entitled to detachment under this

section and the court shall enter an order detaching the territory described in the petition from the district. The court shall enter such order no later than the one hundred twentieth day after the date on which the petition is filed. The court may make any changes in subdistrict boundary lines as may be necessary to meet the requirements of sections 247.010 to 247.220. Any such changes in subdistrict boundary lines shall not become effective until the next annual election of a member of the board of directors of the district.

9. If the court determines that the petition is defective, it shall dismiss the petition without prejudice. The petition shall not be considered defective based on the fact that the district is a borrower under a federal loan program.

10. The petitioner shall bear all costs of the proceedings under this section.

11. A certified copy of the court's order detaching the territory shall be filed in the office of the recorder of deeds and in the office of the county clerk in each county in which any of the territory of the district prior to detachment is located, and in the office of the secretary of state, and detachment under this section shall be effective on the first date on which the certified copy of the court's order is filed in each such office.

247.229. 1. If a public water supply district, organized under the provisions set forth in sections 247.010 to 247.220, and pursuant to subsection 7 of this section, has an outstanding debt owed to or guaranteed by the United States government or any agency thereof, the board of directors of such district shall accept any gift, donation, or bequest of money made to the district for its use and benefit, unless acceptance of the gift, donation, or bequest

would be in violation of current law, or the fulfillment of the terms of the gift, donation, or bequest are in violation of current law.

2. Except as otherwise expressly specified by the donor in writing, any monetary gift, donation, or bequest accepted by the board of directors pursuant to subsection 1 of this section, shall be applied first to the payment or prepayment of any outstanding debt of the district that is owed to or guaranteed by the United States government or any agency thereof, until such debt is satisfied in full.

3. If the amount of any such monetary gift, donation, or bequest exceeds the amount necessary to pay or prepay all outstanding debt owed to or guaranteed by the United States government or any agency thereof, the board of directors may apply the excess funds as otherwise authorized by current law.

4. If no such debt exists at the time the gift, donation, or bequest is received, or if the donor has expressly directed the application of the gift, donation, or bequest to another purpose, the board of directors may apply the funds as otherwise authorized by current law.

5. The board of directors shall maintain records of all monetary gifts, donations, or bequests received and the application thereof, and shall make such records available for public inspection upon request.

6. Any person or entity may, at any time, tender payment in full or in part of any outstanding debt of the district that is owed to or guaranteed by the United States government or any agency thereof, for the benefit of the district. The board of directors shall take all actions necessary to authorize and facilitate the acceptance and application of any such payment to the indebtedness, provided that the payment is made without condition,

restriction, or requirement for consideration or performance by the district, other than the application of the payment toward the indebtedness. The board of directors shall not reverse, cancel, reject, or otherwise interfere with the application of such payment to the debt obligation, and, if required, shall obtain any United States approval necessary for the application of such payment.

7. The provisions of this section shall only apply to any public water supply district organized under the provisions set forth in sections 247.010 to 247.220 that is located in any county:

(1) With a charter form of government;

(2) Within the boundaries of which there are two or more public water supply districts in existence on August 28, 2026, that are organized under the provisions of sections 247.010 to 247.220; and

(3) Which is adjacent to a county adjoining a city not located within a county.

Section B. Because of the immediate and urgent need to ensure that Missouri remains competitive in attracting and facilitating economic development, section A of this act is deemed necessary for the immediate preservation of the public health, welfare, peace, and safety, and is hereby declared to be an emergency act within the meaning of the constitution, and section A of this act shall be in full force and effect upon its passage and approval.