1516S.05C

SENATE COMMITTEE SUBSTITUTE

FOR

HOUSE COMMITTEE SUBSTITUTE

FOR

HOUSE BILL NO. 581

AN ACT

To repeal sections 247.224, 274.060, 348.430, 348.432 and 409.401, RSMo 2000, and to enact in lieu thereof twenty-two new sections relating to agriculture, with penalty provisions and an emergency clause for certain sections.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

Section A. Sections 247.224, 274.060, 348.430, 348.432 and 409.401, RSMo 2000, are repealed and twenty-two new sections enacted in lieu thereof, to be known as sections 247.165, 262.800, 262.801, 262.802, 262.805, 262.810, 274.060, 340.335, 340.337, 340.339, 340.341, 340.343, 340.345, 340.347, 340.350, 348.430, 348.432, 407.857, 409.401, 414.433, 578.008 and 1, to read as follows:

247.165. 1. Whenever all or any part of a territory located within a public water supply district organized pursuant to sections 247.010 to 247.220 is included by annexation within the corporate limits of a municipality, but is not receiving water service from such district or such municipality at the time of such annexation, the municipality and the board of directors of the district may, within six months after such annexation becomes effective, develop an agreement to provide water service

to the annexed territory. Such an agreement may also be developed within six months after the effective date of this section for territory that was annexed between January 1, 1999, and the effective date of this section but was not receiving water service from such district or such municipality on the effective date of this section. For the purposes of this section, "not receiving water service" shall mean that no water is being sold within the annexed territory by such district or municipality. If the municipality and district reach an agreement that detaches any territory from such district, the agreement shall be submitted to the circuit court originally incorporating such district, and the court shall make an order and judgment detaching the territory described in the agreement from the remainder of the district and stating the boundary lines of the district after such detachment. The court shall also make any changes in subdistrict boundary lines it deems necessary to meet the requirements of sections 247.110 to 247.227. Such subdistrict lines shall not become effective until the next election after the effective date of the agreement. At such time that the court's order and judgment becomes final, the clerk of the circuit court shall file certified copies of such order and judgment with the secretary of state and with the recorder of deeds and the county clerk of the county or counties in which the district is located. If an agreement is developed between a municipality and a water district pursuant to this subsection, subsections 2 to 8 of this section shall not apply to such agreement.

2. In any case in which the board of directors of such

district and such municipality cannot reach such an agreement, an application may be made by the district or the municipality to the circuit court originally incorporating such district, requesting that three commissioners develop such an agreement. Such application shall include the name of one commissioner appointed by the applying party. The second party shall appoint one commissioner within thirty days of the service of the application upon the second party. If the second party fails to appoint a commissioner within such time period, the court shall appoint a commissioner on the behalf of the second party. Such two named commissioners may agree to appoint a third disinterested commissioner within thirty days after the appointment of the second commissioner. In any case in which such two commissioners cannot agree on or fail to make the appointment of the third disinterested commissioner within thirty days after the appointment of the second commissioner, the court shall appoint the third disinterested commissioner.

3. Upon the filing of such application and the appointment of three such commissioners, the court shall set a time for one or more hearings and shall order a public notice including the nature of the application, the annexed area affected, the names of the commissioners, and the time and place of such hearings, to be published for three weeks consecutively in a newspaper published in the county in which the application is pending, the last publication to be not more than seven days before the date set for the first hearing.

4. The commissioners shall develop an agreement between the district and the municipality to provide water service to the

annexed territory. In developing the agreement, the commissioners shall consider information presented to them at hearings and any other information at their disposal including, but not limited to:

(1) The estimated future loss of revenue and costs for the water district related to the agreement;

(2) The amount of indebtedness of the water district within the annexed territory;

(3) Any contractual obligations of the water district within the annexed area; and

(4) The effect of the agreement on the water rates of the district.

Such agreement shall also include a recommendation for the apportionment of court costs, including reasonable compensation for the commissioners, between the municipality and the water district.

5. If the court finds that the agreement provides for necessary water service in the annexed territory, then such agreement shall be fully effective upon approval by the court. The court shall also review the recommended apportionment of court costs and the reasonable compensation for the commissioners and affirm or modify such recommendations.

6. The order and judgment of the court shall be subject to appeal as provided by law.

7. If the court approves a detachment as part of the territorial agreement, it shall make its order and judgment detaching the territory described in the petition from the remainder of the district and stating the boundary lines of the

district after such detachment. The court shall also make any changes in subdistrict boundary lines it deems necessary to meet the requirements of sections 247.110 to 247.227. Any subdistrict lines shall not become effective until the next annual regular election.

8. At such time that the court's order and judgment becomes final, the clerk of the circuit court shall file certified copies of such order and judgment with the secretary of state and with the recorder of deeds and the county clerk of the county or counties in which the district is located.

262.800. Sections 262.800 to 262.810 shall be known and may be cited as the "Farmland Protection Act". The purpose of the farmland protection act shall be to:

(1) Protect agricultural, horticultural and forestry land;

(2) Promote continued economic viability of agriculture, horticulture and forestry as a business;

(3) Promote the continued economic viability of those businesses dependent on providing materials, equipment and services to agriculture, horticulture and forestry;

(4) Promote quality of life in the agriculture community; and

(5) Protect owners of property used for farming purposes from unreasonable costs associated with assessments for improvements running across the land.

262.801. For purposes of the farmland protection act, "farming purposes" shall be defined as at least three-fourths of the property used for farming, tillage of the soil, dairy farming, ranching, production or raising of crops, poultry or

livestock, breeding, pasturing, training or boarding of equines or mules, and production of poultry or livestock products in an unmanufactured state.

262.802. 1. This state or any political subdivision of this state shall hold water and sewer assessments in abeyance, without interest, until improvements on such property are connected to the water or sewer system for which the assessment was made.

2. The provisions of this section shall apply only to tracts of real property:

(1) Comprised of ten or more contiguous acres; and

(2) Used for farming purposes.

3. At the time improvements on such property are connected to the water or sewer system, the owner shall pay to the political subdivision an amount equal to the proportionate charge for the number of system lines connected to improvements on such property.

4. The owner shall not be charged based on the total cost of running the water or sewer system to or across the owner's real property. Rather, the assessment shall be based on:

(1) A reasonable hookup charge; and

(2) A proportionate charge for the number of improvements requested to be connected to such assessments in relation to the total capacity of the system; and

(3) The anticipated proportionate burden to the system.

5. The period of abeyance shall end when the property ceases to be used for farming purposes.

6. When the period of abeyance ends, the assessment is

payable in accordance with the terms set forth in the assessment resolution, so long as such terms are not inconsistent with sections 262.800 to 262.810. To the extent that such terms are inconsistent, the provisions of sections 262.800 to 262.810 shall control.

7. All statutes of limitation pertaining to action for enforcement of payment for assessments shall be suspended during the time that any assessment is held in abeyance without interest.

8. In addition to any other federal, state or local requirements concerning assessments for improvements, the political subdivision responsible for assessments shall notify owners of all properties which are proposed to be assessed of the amount proposed to be charges and the terms of payment for each improvement and that the property may be subject to protection according to the provisions of the Missouri farmland protection act. The notice shall:

(1) Be provided in writing to the owners and all parties of recorded interest, at the address listed on records of the county for the receipt of real property tax statements for such tract of land;

(2) Be sent by certified mail, return receipt requested, restricted delivery to addressee;

(3) Clearly state the total amount of the proposed assessment for said parcel of real property;

(3) State in the body of the letter as follows: "As owners of the property proposed to be assessed, you have one hundred eighty (180) days from the date of receipt of this notice to

accept, in writing, the amount of the assessment stated herein or to dispute the amount by filing an action in the circuit court of the county where the real property is located. If your property is comprised of ten (10) or more contiguous acres, your property may be eligible for protection from payment of the assessment under the Missouri Farmland Protection Act as provided in Chapter 262, RSMo, and you have sixty (60) days from the date of receipt of this notice to notify the political subdivision proposing the assessment, in writing, of you intent to claim protection for your property under the Act. Whether or not you claim protection under the Farmland Protection Act, you have the right to dispute the amount of the assessment in circuit court.";

(5) Owners must be given the address for sending notice to the political subdivision with the letter; and

(6) A copy of the Farmland Protection Act shall be included with the letter.

An owner claiming protection under the farmland protection act does not forfeit the right to contest the amount of the assessment.

9. Any owner of property proposed to be assessed who chooses to dispute the amount of assessment, shall file an action disputing the amount of the assessment to the circuit court of the county in which the real property subject to the assessment is located. The action disputing the assessment must be filed within one hundred eighty days of receipt of the notice in subsection 8 of this section.

10. Any political subdivision that disputes the applicability of the farmland protection act to property proposed

to be assessed shall file an action in the circuit court of the county in which the real property subject to the assessment is located to dispute the applicability of the farmland protection act to said parcel of real property. Such action must be filed within thirty days of receipt of the notice of the claim for protection under the farmland protection act.

11. Nothing in this section shall be construed as diminishing the authority of counties or other political subdivisions to hold assessments in abeyance.

12. The provisions of this section shall not apply to public water supply districts as defined by sections 247.010 to 247.227, RSMo, except that a public water supply district shall not require payment from landowners whose property is crossed to service another tract of land until the owner of such property crossed requests connection to the rural water supply district. At the time such connection is requested, the provisions of the farmland protection act shall apply.

13. In a city with a population of at least four hundred thousand located in more than one county, the assessments on a tract of property entitled to protection pursuant to the provisions of the farmland protection act shall be held in abeyance except that an initial payment of an amount not to exceed five hundred dollars per acre on the tract, up to an amount not to exceed ten thousand dollars may be assessed at the time of final judgment concerning the amount of the assessment or upon mutual agreement of the parties as to the amount of the assessment. In all other respects, the provisions of the farmland protection act shall apply.

14. If a political subdivision files an action to have all or a portion of sections 262.800 to 262.810 declared null and void or for declaratory judgment, the owner of the property for purposes of this section shall be considered a state agency and shall be provided legal defense or representation by the state of Missouri. If the political subdivision is declared to have lost, in whole or in part, in the proceedings, the cost of providing defense to the landowner, including reasonable attorney fees and costs, shall be fully reimbursed to the state of Missouri by the political subdivision.

262.805. Purchasers of real property within one mile of areas zoned for agriculture or used for farming purposes as defined by the farmland protection act contained in section 262.800 shall be presumed to have notice of such agriculture zoning or use for farming purposes. Agricultural zoned land or land used for farming purposes may be used for commercial or hobby operations that may include but is not limited to the following: breeding and rearing of livestock, weaning and treating of livestock, raising and harvesting crops, application of fertilizers and pesticides, dust, noise, odors, gunfire, burning, extended hours of operation, seasonal operations, timber operations, cultivated and idle land. Agriculture operations typically consist of open and timbered spaces that are private property and are not open to the public or to public access. Agriculture operations contain many hazards, including but not limited to, open water, including ponds, streams, ditches, open pits, brush, brush piles, snakes, untamed and unpredictable animals, electric and barbed fences, storage building and

structure, tractors and equipment, and hidden obstacles. Children and adults are not permitted to roam, play or trespass on farm or agriculture property.

262.810. Property subject to the farmland protection act shall not be taken in whole or in part by any political subdivision of this state by eminent domain except after a public hearing pursuant to chapter 610, RSMo.

274.060. Each association incorporated under this chapter shall have the following powers:

(1) To engage in any activity in connection with the marketing, selling, preserving, harvesting, drying, processing, manufacturing, canning, packing, grading, storing, handling or utilization of any agricultural products produced or delivered to it by its members; the manufacturing or marketing of the by-products thereof; any activity in connection with the purchase, hiring or use by its members of supplies, machinery or equipment; in the financing of any such activities; or in any one or more of the activities specified in this section. **[**No**]** The association**[**, however, shall handle agricultural products of nonmembers nor furnish supplies to nonmembers, in any business year, to an amount greater in value than the agricultural products or the supplies, as the case may be, as are handled for or furnished to members**]** shall do at least twenty-five percent of its business with its members;

(2) To borrow money without limitation as to amount of corporate indebtedness or liability; and to make advance payments and advances to members;

(3) To act as the agent or representative of any member or

members in any of the above mentioned activities;

(4) To buy, lease, hold and exercise all privileges of ownership, over such real or personal property as may be necessary or convenient for the conduct and operation of any of the business of the association, or incidental thereto;

(5) To establish, secure, own and develop patents, trademarks and copyrights;

(6) To do each and everything necessary, suitable or proper for the accomplishment of any one of the purposes or the attainment of any one or more of the objects herein enumerated; or conducive to or expedient for the interest or benefit of the association; to contract accordingly; and in addition to exercise and possess all powers, rights and privileges necessary or incidental to the purposes for which the association is organized or to the activities in which it is engaged or any other rights, powers, and privileges granted by the laws of this state to ordinary corporations, except such as are inconsistent with the express provisions of this chapter.

340.335. 1. Sections 340.335 to 340.350 establish a loan repayment program for graduates of approved veterinary medical schools who practice in areas of defined need and shall be known as the "Large Animal Veterinary Medicine Loan Repayment Program".

2. The "Large Animal Veterinary Medicine Loan Repayment Program Fund" is hereby created in the state treasury. All funds recovered from an individual pursuant to section 340.347 and all funds generated by loan repayments and penalties received pursuant to section 340.347 shall be credited to the fund. The moneys in the fund shall be used by the Missouri veterinary

medical board to provide loan repayments pursuant to section 340.343 in accordance with sections 340.335 to 340.350.

340.337. As used in sections 340.335 to 340.350, the following terms shall mean:

(1) "Areas of defined need", areas designated by the board pursuant to section 340.339, when services of a large animal veterinarian are needed to improve the client-doctor ratio in the area, or to contribute professional veterinary services to an area of economic impact;

(2) "Board", the Missouri veterinary medical board;

(3) "Large animal veterinarian", veterinarians licensed and registered pursuant to this chapter, engaged in general or large animal practice as their primary specialties, and who have at least fifty percent of their practice devoted to large animal veterinary medicine.

340.339. The board shall designate counties, communities or sections of rural areas as areas of defined need as determined by the board by rule.

340.341. 1. The board shall adopt and promulgate rules establishing standards for determining eligible persons for loan repayment pursuant to sections 340.335 to 340.350. Such standards shall include, but are not limited to the following:

(1) Citizenship or permanent residency in the United States;

(2) Residence in the state of Missouri;

(3) Enrollment as a full-time veterinary medical student in the final year of a course of study offered by an approved educational institution in Missouri;

(4) Application for loan repayment.

2. The board shall not grant repayment for more than five veterinarians each year.

340.343. 1. The board shall enter into a contract with each individual qualifying for repayment of educational loans. The written contract between the board and an individual shall contain, but not be limited to, the following:

(1) An agreement that the state agrees to pay on behalf of the individual, loans in accordance with section 340.345 and the individual agrees to serve for a time period equal to five years, or such longer period as the individual may agree to, in an area of defined need, such service period to begin within one year of the signed contract or graduation by the individual with a degree of doctor of veterinary medicine, whichever is later;

(2) A provision that any financial obligations arising out of a contract entered into and any obligation of the individual which is conditioned thereon is contingent upon funds being appropriated for loan repayments;

(3) The area of defined need where the person will practice;

(4) A statement of the damages to which the state is entitled for the individual's breach of the contract;

(5) Such other statements of the rights and liabilities of the board and of the individual not inconsistent with sections 340.335 to 340.350.

2. The board may stipulate specific practice sites contingent upon board generated large animal veterinarian need priorities where applicants shall agree to practice for the

duration of their participation in the program.

340.345. 1. A loan payment provided for an individual pursuant to a written contract under the large animal veterinary medicine loan repayment program shall consist of payment on behalf of the individual of the principal, interest and related expenses on government and commercial loans received by the individual for tuition, fees, books, laboratory and living expenses incurred by the individual.

2. For each year of obligated services that an individual contracts to serve in an area of defined need, the board may pay up to ten thousand dollars on behalf of the individual for loans described in subsection 1 of this section.

3. The board may enter into an agreement with the holder of the loans for which repayments are made under the large animal veterinary medicine loan repayment program to establish a schedule for the making of such payments if the establishment of such a schedule would result in reducing the costs to the state.

4. Any qualifying communities providing a portion of a loan repayment shall be considered first for placement.

340.347. 1. An individual who has entered into a written contract with the board or an individual who is enrolled in a course of study and fails to maintain an acceptable level of academic standing in the educational institution in which such individual is enrolled or voluntarily terminates such enrollment or is dismissed from such educational institution before completion of such course of study or fails to become licensed pursuant to this chapter within one year after graduation shall be liable to the state for the amount which has been paid on such

individual's behalf pursuant to the contract.

2. If an individual breaches the written contract of the individual by failing either to begin such individual's service obligation or to complete such service obligation, the state shall be entitled to recover from the individual an amount equal to the sum of:

(1) The total of the amounts paid by the state on behalf of the individual, including interest; and

(2) An amount equal to the unserved obligation penalty, which is the total number of months of obligated service which were not completed by an individual, multiplied by five hundred dollars.

3. The board may act on behalf of a qualified community to recover from an individual described in subsections 1 and 2 of this section the portion of a loan repayment paid by such community for such individual.

340.350. No rule or portion of a rule promulgated pursuant to the authority of sections 340.335 to 340.350 shall become effective unless it has been promulgated pursuant to the provisions of chapter 536, RSMo.

348.430. 1. The tax credit created in this section shall be known as the "Agricultural Product Utilization Contributor Tax Credit".

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

(1) "Authority", the agriculture and small business development authority as provided in this chapter;

(2) "Contributor", an individual, partnership, corporation, trust, limited liability company, entity or person that

contributes cash funds to the authority;

(3) "Development facility", a facility producing either a good derived from an agricultural commodity or using a process to produce a good derived from an agricultural product;

(4) "Eligible new generation cooperative", a nonprofit cooperative association formed pursuant to chapter 274, RSMo, or incorporated pursuant to chapter 357, RSMo, for the purpose of operating a development facility or a renewable fuel production facility;

(5) "Renewable fuel production facility", a facility producing an energy source which is derived from a renewable, domestically grown, organic compound capable of powering machinery, including an engine or power plant, and any by-product derived from such energy source.

3. For tax year 1999, a contributor who contributes funds to the authority may receive a credit against the tax <u>or estimated quarterly tax</u> otherwise due pursuant to chapter 143, RSMo, other than taxes withheld pursuant to sections 143.191 to 143.265, RSMo, chapter 148, RSMo, chapter 147, RSMo, in an amount of up to one hundred percent of such contribution. The awarding of such credit shall be at the approval of the authority, based on the least amount of credits necessary to provide incentive for the contributions. A contributor that receives tax credits for a contribution to the authority shall receive no other consideration or compensation for such contribution, other than a federal tax deduction, if applicable, and goodwill. A contributor that receives tax credits for a contribution provided in this section may not be a member, owner, investor or lender of

an eligible new generation cooperative that receives financial assistance from the authority either at the time the contribution is made or for a period of two years thereafter.

4. A contributor shall submit to the authority an application for the tax credit authorized by this section on a form provided by the authority. If the contributor meets all criteria prescribed by this section and the authority, the authority shall issue a tax credit certificate in the appropriate amount. Tax credits issued pursuant to this section shall initially be claimed for the taxable year in which the contributor contributes funds to the authority. Any amount of credit that exceeds the tax due for a contributor's taxable year may be carried forward to any of the contributor's five subsequent taxable years. Tax credits issued pursuant to this section may be assigned, transferred or sold. Whenever a certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a notarized endorsement shall be filed with the authority specifying the name and address of the new owner of the tax credit or the value of the credit.

5. The funds derived from contributions in this section shall be used for financial assistance or technical assistance for the purposes provided in section 348.407, to rural agricultural business concepts as approved by the authority. The authority may provide or facilitate loans, equity investments, or guaranteed loans for rural agricultural business concepts, but limited to two million dollars per project or the net state economic impact, whichever is less. Loans, equity investments or guaranteed loans may only be provided to feasible projects, and

for an amount that is the least amount necessary to cause the project to occur, as determined by the authority. The authority may structure the loans, equity investments or guaranteed loans in a way that facilitates the project, but also provides for a compensatory return on investment or loan payment to the authority, based on the risk of the project.

6. In any given year, at least ten percent of the funds granted to rural agricultural business concepts shall be awarded to grant requests of twenty-five thousand dollars or less. No single rural agricultural business concept shall receive more than two hundred thousand dollars in grant awards from the authority. Agricultural businesses owned by minority members or women shall be given consideration in the allocation of funds.

348.432. 1. The tax credit created in this section shall be known as the "New Generation Cooperative Incentive Tax Credit".

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

(1) "Authority", the agriculture and small business development authority as provided in this chapter;

(2) "Development facility", a facility producing either a good derived from an agricultural commodity or using a process to produce a good derived from an agricultural product;

(3) "Eligible new generation cooperative", a nonprofit cooperative association formed pursuant to chapter 274, RSMo, or incorporated pursuant to chapter 357, RSMo, for the purpose of operating a development facility or a renewable fuel production facility and approved by the authority;

(4) <u>"Employee qualified capital project", an eligible new</u>

generation cooperative with capital costs greater than fifteen million dollars which will employ at least one hundred employees;

(5) "Large capital project", an eligible new generation cooperative with capital costs greater than one million dollars;

(6) "Member", a person, partnership, corporation, trust or limited liability company that invests cash funds to an eligible new generation cooperative;

[(5)**]** (7) "Renewable fuel production facility", a facility producing an energy source which is derived from a renewable, domestically grown, organic compound capable of powering machinery, including an engine or power plant, and any by-product derived from such energy source;

(8) "Small capital project", an eligible new generation cooperative with capital costs of no more than one million dollars.

3. Beginning tax year **[**1999**]** 2001, and subsequent tax years, any member who invests cash funds in an eligible new generation cooperative may receive a credit against the tax or estimated quarterly tax otherwise due pursuant to chapter 143, RSMo, other than taxes withheld pursuant to sections 143.191 to 143.265, RSMo, or chapter 148, RSMo, chapter 147, RSMo, in an amount equal to the lesser of fifty percent of such member's investment or fifteen thousand dollars.

4. A member shall submit to the authority an application for the tax credit authorized by this section on a form provided by the authority. If the member meets all criteria prescribed by this section and is approved by the authority, the authority shall issue a tax credit certificate in the appropriate amount.

Tax credits issued pursuant to this section shall initially be claimed for the taxable year in which the member contributes capital to an eligible new generation cooperative. Any amount of credit that exceeds the tax due for a member's taxable year may be carried back to any of the member's three prior taxable years and carried forward to any of the member's five subsequent taxable years. Tax credits issued pursuant to this section may be assigned, transferred **[**or**]**, sold or otherwise conveyed and the new owner of the tax credit shall have the same rights in the credit as the member. Whenever a certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a notarized endorsement shall be filed with the authority specifying the name and address of the new owner of the tax credit or the value of the credit.

5. **[**At least**]** Ten percent of the tax credits authorized pursuant to this section initially shall be offered in any fiscal year to small capital projects **[**with capital costs of no more than one million dollars**]**. If **[**the amount of tax credits allowed pursuant to this section exceeds the amount needed for such smaller projects, the remaining**]** any portion of the ten percent of tax credits offered to small capital costs projects is unused in any calendar year, then the unused portion of tax credits may be offered **[**for projects with capital costs in excess of one million dollars**]** to employee qualified capital projects and large capital projects. If the authority receives more applications for tax credits for small capital projects than tax credits are authorized therefor, then the authority, by rule, shall determine the method of distribution of tax credits authorized for small

capital projects.

6. [If members of a project would be eligible for tax credits in excess of one million five hundred thousand dollars, tax credits authorized pursuant to this section shall be prorated between the members on a percent of investment basis, not to exceed the maximum allowed per member.] Ninety percent of the tax credits authorized pursuant to this section initially shall be offered in any fiscal year to employee qualified capital projects and large capital projects. If any portion of the ninety percent of tax credits offered to employee qualified capital projects and large capital costs projects is unused in any fiscal year, then the unused portion of tax credits may be offered to small capital projects. The maximum tax credit allowed per employee qualified capital project is three million dollars and the maximum tax credit allowed per large capital project is one million five hundred thousand dollars. If authority approves the maximum tax credit allowed for any employee qualified capital project or any large capital project, then the authority, by rule, shall determine the method of distribution of such maximum tax credit. In addition, if the authority receives more tax credit applications for employee qualified capital projects and large capital projects than the amount of tax credits authorized therefor, then the authority, by rule, shall determine the method of distribution of tax credits authorized for employee qualified capital projects and large capital projects.

407.857. Retailers who sell and service farm equipment as defined in section 407.838, RSMo, and who do warranty repair work

for a consumer under provisions of a manufacturer's express warranty, shall be reimbursed by the manufacturer for the warranty work at an hourly labor rate that is the same or greater than the hourly labor rate the retailer currently charges consumers for nonwarranty repair work.

409.401. When used in sections 409.101 to 409.419, unless the context otherwise requires:

(a) "Commissioner" means the commissioner of securities.

(b) "Agent" means any individual other than a broker-dealer who represents a broker-dealer or issuer in effecting or attempting to effect purchases or sales of securities. "Agent" does not include an individual who represents (1) an issuer in (a) effecting transactions in a security exempted by clause (1), (2), (3), (4), (6), (9), (10) or (11) of section 409.402(a), (b) effecting transactions in a security exempted by clause (5) of section 409.402(a), provided such individual prior to the transactions files with the commissioner information on (A) his relationship to the issuer and its affiliates, (B) his proposed methods of soliciting the transactions including sales literature to be used, and (C) commissions and other remuneration he is to receive for effecting the transactions, and such additional information as the commissioner may require, (c) effecting transactions exempted by section 409.402(b), (d) effecting transactions with existing employees, partners or directors of the issuer if no commission or other remuneration is paid or given directly or indirectly for soliciting any person in this state, (e) effecting transactions in a covered security as described in sections 18(b)(3) and 18(b)(4)(D) of the Securities

Act of 1933; (2) a broker-dealer in effecting transactions in this state limited to those transactions described in section 15(h)(2) of the Securities Exchange Act of 1934; or (3) effecting transactions with such other persons as the commissioner may by rule or order designate. A partner, officer, or director of a broker-dealer or issuer, or a person occupying a similar status or performing similar functions, is an agent only if he otherwise comes within this definition.

(c) "Broker-dealer" means any person engaged in the business of effecting transactions in securities for the account of others or for his own account. "Broker-dealer" does not include (1) an agent, (2) an issuer, (3) a bank, savings institution, or trust company, or (4) a person who has no place of business in this state if (A) he effects transactions in this state exclusively with or through (i) the issuers of the securities involved in the transactions, (ii) other broker-dealers, or (iii) banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, whether acting for themselves or as trustees, or (B) the person has fewer than five clients in the state of Missouri, or (5) such other persons as the commissioner may by rule or order designate.

(d) "Federal covered adviser" means a person who is (1) registered pursuant to section 203 of the Investment Advisers Act of 1940; or (2) is excluded from the definition of "investment adviser" pursuant to section 202(a)(11) of the Investment Advisers Act of 1940.

(e) "Federal covered security" means any security that is a covered security pursuant to section 18(b) of the Securities Act of 1933 or rules or regulations promulgated thereunder.

(f) "Fraud", "deceit", and "defraud" are not limited to common-law deceit.

(g) "Guaranteed" means guaranteed as to payment of principal, interest, or dividends.

(h) "Investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as a part of a regular business, issues or promulgates analyses or reports concerning securities. "Investment adviser" also includes financial planners and other persons who, as an integral component of other financially related services, provide the foregoing investment advisory services to others for compensation and as part of a business or who hold themselves out as providing the foregoing investment advisory services to others for compensation; except that "investment adviser" does not include (1) an investment adviser representative; (2) a bank, savings institution, or trust company; (3) a lawyer, accountant, engineer, or teacher whose performance of these services is solely incidental to the practice of his profession; (4) a broker-dealer or his agent whose performance of these services is solely incidental to the conduct of his business as a broker-dealer and who receives no special compensation for them; (5) a publisher of any bona fide newspaper, news column,

newsletter, news magazine, or business or financial publication or service, whether communicated in hard copy form, or by electronic means, or otherwise, that does not consist of the rendering of advice on the basis of the specific investment situation of each client; (6) any person that is a federal covered adviser; or (7) such other persons not within the intent of this subsection as the commissioner may by rule or order designate.

(i) "Investment adviser representative" means any partner, officer, director or other individual employed by or associated with an investment adviser, except clerical or ministerial personnel, who is employed by or associated with an investment adviser that is registered or required to be registered pursuant to sections 409.101 to 409.419, or who has a place of business located in this state and is employed by or associated with a federal covered adviser; and who does any of the following: (1) makes any recommendations or otherwise renders advice regarding securities, except that investment adviser representative does not include an individual whose performance of these services is solely incidental to the conduct of his business as an "agent" of a broker-dealer and who receives no special compensation for them, (2) manages accounts or portfolios of clients, (3) determines which recommendation or advice regarding securities should be given, or (4) supervises employees who perform any of the foregoing.

(j) "Issuer" means any person who issues or proposes to issue any security, except that (1) with respect to certificates of deposit, voting-trust certificates, or collateral-trust

certificates, or with respect to certificates of interest or shares in an unincorporated investment trust not having a board of directors or persons performing similar functions or of the fixed, restricted management, or unit type, the term "issuer" means the person or persons performing the acts and assuming the duties of depositor or manager pursuant to the provisions of the trust or other agreement or instrument under which the security is issued; and (2) with respect to certificates of interest or participation in oil, gas, or mining titles or leases, or in payments out of production under such titles or leases there is not considered to be any "issuer".

(k) "Non-issuer" means not directly or indirectly for the benefit of the issuer.

(l) "Person" means an individual, a corporation, a partnership, an association, a joint-stock company, a trust where the interests of the beneficiaries are evidenced by a security, an unincorporated organization, a government, or a political subdivision of a government.

(m) (1) "Sale" or "sell" includes every contract of sale of, contract to sell, or disposition of, a security or interest in a security for value.

(2) "Offer" or "offer to sell" includes every attempt or offer to dispose of, or solicitation of an offer to buy, a security or interest in a security for value.

(3) Any security given or delivered with, or as a bonus on account of, any purchase of securities or any other thing is considered to constitute part of the subject of the purchase and to have been offered and sold for value.

(4) A purported gift of assessable stock is considered to involve an offer and sale.

(5) Every sale or offer of a warrant or right to purchase or subscribe to another security of the same or another issuer, as well as every sale or offer of a security which gives the holder a present or future right or privilege to convert into another security of the same or another issuer, is considered to include an offer of the other security.

(6) The terms defined in this subsection do not include (A) any bona fide pledge or loan; (B) any stock dividend, whether the corporation distributing the dividend is the issuer of the stock or not, if nothing of value is given by stockholders for the dividend other than the surrender of a right to a cash or property dividend when each stockholder may elect to take the dividend in cash or property or in stock; (C) any act incident to a class vote by stockholders, pursuant to the certificate of incorporation or the applicable corporation statute, on a merger, consolidation, reclassification of securities, or sale of corporate assets in consideration of the issuance of securities of another corporation; or (D) any act incident to a judicially approved reorganization in which a security is issued in exchange for one or more outstanding securities, claims, or property interests, or partly in such exchange and partly for cash.

(n) "Securities Act of 1933", "Securities Exchange Act of 1934", "Public Utility Holding Company Act of 1935", "Investment Advisers Act of 1940", and "Investment Company Act of 1940" mean the federal statutes of those names as amended before or after January 1, 1968.

(o) "Security" means any note; stock; treasury stock; bond; debenture; evidence of indebtedness; certificate of interest or participation in any profit-sharing agreement; collateral-trust certificate; preorganization certificate or subscription; transferable share; investment contract; limited partnership interest; voting-trust certificate; certificate of deposit for a security; certificate of interest or participation in an oil, gas, or mining title or lease or in payments out of production under such a title or lease; or, in general, any interest or instrument commonly known as a "security", or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing. "Security" does not include any insurance or endowment policy or annuity contract under which an insurance company promises to pay money either in a lump sum or periodically for life or for some other specified period.

(p) "State" means any state, territory, or possession of the United States, the District of Columbia and Puerto Rico.

(q) "Cooperative association" means any association in which farmers act together in processing, preparing for market, handling, and/or marketing the farm products of persons so engaged, and also means any association in which farmers act together in purchasing, testing, grading, processing, distributing and/or furnishing farm supplies and/or farm business services; provided, however, that such associations are operated for the mutual benefit of the members thereof as such producers or purchasers and conform to one or both of the following

requirements: (1) no member of the association is allowed more than one vote because of the amount of stock or membership capital he may own therein, and (2) the association does not pay dividends on stock or membership capital in excess of eight percent per year, and in any case to the following: (3) the association does **[**not deal in farm products, farm supplies, and farm business services with or for nonmembers in an amount greater in value than the total amount of such business transacted by it with or for members**]** at least twenty-five percent of its business with its members; further, all business transacted by any cooperative association for or on behalf of the United States or any agency or instrumentality thereof shall be disregarded in determining the volume of member and nonmember business transacted by such association.

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

(1) "B-20", a blend of two fuels of twenty percent by volume biodiesel and eighty percent by volume petroleum-based diesel fuel;

(2) "Biodiesel", as defined in ASTM Standard PS121;

(3) "Eligible new generation cooperative", a nonprofit farmer-owned cooperative association formed pursuant to chapter 274, RSMo, or incorporated pursuant to chapter 357, RSMo, for the purpose of operating a development facility or a renewable fuel production facility, as defined in section 348.430, RSMo.

2. Beginning with the 2002-2003 school year and lasting through the 2005-2006 school year, any school district may contract with an eligible new generation cooperative to purchase

biodiesel fuel for its buses of a minimum of B-20 under conditions set out in subsection 3 of this section.

3. Every school district that contracts with an eligible new generation cooperative for biodiesel pursuant to subsection 2 of this section shall receive an additional payment through its state school aid payment so that the net price to the contracting district for biodiesel will not exceed the market price of regular diesel. The total statewide payments shall be limited to seven-tenths percent of the entitlement authorized by section 163.161, RSMo, for the 1998-1999 school year. The payment amount may be increased by four percent each year during the life of the program. No payment shall be authorized pursuant to this subsection or contract required pursuant to subsection 2 of this section if moneys are not appropriated by the general assembly.

4. The department of elementary and secondary education shall promulgate such rules as are necessary to implement this section, including but not limited to a method of calculating the reimbursement of the contracting school districts and waiver procedures if the amount appropriated does not cover the additional costs for the use of biodiesel. No rule or portion of a rule promulgated pursuant to this section shall become effective unless it has been promulgated pursuant to chapter 536, RSMo.

578.008. 1. A person commits the crime of spreading disease to livestock or animals if that person knowingly and with malicious intent spreads any type of contagious, communicable or infectious disease among livestock as defined in section 267.565, RSMo, or other animals.

2. Spreading disease to livestock or animals is a class D felony.

Section 1. Notwithstanding any law to the contrary, all Missouri landowners retain the right to have, use, and own private water systems and ground source systems anytime and anywhere including land within city limits, unless prohibited by city ordinance, on their own property so long as all applicable rules and regulations established by the Missouri department of natural resources are satisfied. All Missouri landowners who choose to use their own private water system shall not be forced to purchase water from any other water source system servicing their community.

[247.224. Any person who resides within the boundary of a public water supply district located in any county of the first classification with a population of more than eighty thousand and less than eighty-three thousand inhabitants and who is unable to receive services from such district due to the district's failure to provide such services may elect to be removed from such district by sending a written and signed request for removal via certified mail to the district. The district shall, upon receipt of such request, remove such resident from the district. If the resident elects to be removed from the district, the resident shall compensate the district for any costs incurred by the district for such resident's removal from the district and for any attempts by the district to provide service to such resident prior to the certified date that the district received the request for removal.**]**

Section B. Because immediate action is necessary to promote agriculture in this state, the repeal and reenactment of sections 274.060, 278.220, 278.240, 278.245, 278.250, 278.280, 278.290, 278.300, 348.430, 348.432 and 409.401 and the enactment of sections 340.335, 340.337, 340.339, 340.341, 340.343, 340.345, 340.347 and 340.350 of this act is deemed necessary for the

immediate preservation of the public health, welfare, peace and safety, and is hereby declared to be an emergency act within the meaning of the constitution, and the repeal and reenactment of sections 274.060, 278.220, 278.240, 278.245, 278.250, 278.280, 278.290, 278.300, 348.430, 348.432 and 409.401 and the enactment of sections 340.335, 340.337, 340.339, 340.341, 340.343, 340.345, 340.347 and 340.350 of this act shall be in full force and effect upon its passage and approval.