SECOND REGULAR SESSION

[TRULY AGREED TO AND FINALLY PASSED]

CONFERENCE COMMITTEE SUBSTITUTE FOR

SENATE SUBSTITUTE NO. 2 FOR

SENATE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 1348

91ST GENERAL ASSEMBLY

2818L.14T

2002

AN ACT

To repeal sections 142.028, 254.020, 254.040, 261.110, 261.230, 261.235, 261.239, 263.531, 270.170, 275.464, 311.554, 348.430, 348.432, 407.592, 407.750, 407.751, 407.752, 407.850, 407.860, 407.870, 407.890, 407.892, 407.893 and 414.032, RSMo, and to enact in lieu thereof twenty-seven new sections relating to agriculture, with penalty provisions and a severability clause.

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

Section A. Sections 142.028, 254.020, 254.040, 261.110, 261.230, 261.235, 261.239,

- 2 263.531, 270.170, 275.464, 311.554, 348.430, 348.432, 407.592, 407.750, 407.751, 407.752,
- 3 407.850, 407.860, 407.870, 407.890, 407.892, 407.893 and 414.032, RSMo, are repealed and
- 4 twenty-seven new sections enacted in lieu thereof, to be known as sections 142.028, 142.031,
- 5 254.020, 254.040, 254.225, 261.110, 261.120, 261.230, 261.235, 261.239, 261.240, 263.531,
- 6 270.170, 270.260, 270.400, 275.464, 311.554, 348.430, 348.432, 407.592, 407.850, 407.860,
- 7 407.870, 414.032, 414.043, 701.381 and 701.383, to read as follows:

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

- 2 (1) "Fuel ethanol", one hundred ninety-eight proof ethanol denatured in conformity with
- 3 the United States Bureau of Alcohol, Tobacco and Firearms' regulations and fermented and
- 4 distilled in a facility whose principal (over fifty percent) feed stock is cereal grain or cereal grain
- 5 by-products;
- 6 (2) "Fuel ethanol blends", a mixture of ninety percent gasoline and ten percent fuel
- 7 ethanol in which the gasoline portion of the blend or the finished blend meets the American

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

10

11

12

13

14

15

16

17 18

19

20

21

22

23

24

25

27

29

30

31

32

33 34

35

36 37

38

39

40

- Society for Testing and Materials specification number D-439;
 - (3) "Missouri qualified fuel ethanol producer", any producer of fuel ethanol whose principal place of business and facility for the fermentation and distillation of fuel ethanol is located within the state of Missouri and is at least fifty-one percent owned by agricultural producers actively engaged in agricultural production for commercial purposes, and which has made formal application, posted a bond, and conformed to the requirements of this section.
 - 2. The "Missouri Qualified Fuel Ethanol Producer Incentive Fund" is hereby created and subject to appropriations shall be used to provide economic subsidies to Missouri qualified fuel ethanol producers pursuant to this section. The director of the department of agriculture shall administer the fund pursuant to this section.
- 3. A Missouri qualified fuel ethanol producer shall be eligible for a monthly grant from the fund, except that a Missouri qualified fuel ethanol producer shall only be eligible for the grant for a total of sixty months. The amount of the grant is determined by calculating the estimated gallons of qualified fuel ethanol production to be produced from Missouri agricultural products for the succeeding calendar month, as certified by the department of agriculture, and applying such figure to the per-gallon incentive credit established in this subsection. Each Missouri qualified fuel ethanol producer shall be eligible for a total grant in any [calendar] fiscal year equal to twenty cents per gallon for the first twelve and one-half million gallons of qualified 26 fuel ethanol produced from Missouri agricultural products in the [calendar] fiscal year plus five cents per gallon for the next twelve and one-half million gallons of qualified fuel ethanol produced from Missouri agricultural products in the [calendar] fiscal year. All such qualified fuel ethanol produced by a Missouri qualified fuel ethanol producer in excess of twenty-five million gallons shall not be applied to the computation of a grant pursuant to this subsection. The department of agriculture shall pay all grants for a particular month by the fifteenth day after receipt and approval of the application described in subsection 4 of this section. If actual production of qualified fuel ethanol during a particular month either exceeds or is less than that estimated by a Missouri qualified fuel ethanol producer, the department of agriculture shall adjust the subsequent monthly grant by paying additional amount or subtracting the amount in deficiency by using the calculation described in this subsection.
 - 4. In order for a Missouri qualified fuel ethanol producer to obtain a grant from the fund for a particular month, an application for such funds shall be received no later than fifteen days prior to the first day of the month for which the grant is sought. The application shall include:
 - (1) The location of the Missouri qualified fuel ethanol producer;
- 41 (2) The average number of citizens of Missouri employed by the Missouri qualified fuel ethanol producer in the preceding quarter, if applicable; 42
 - (3) The number of bushels of Missouri agricultural commodities used by the Missouri

44 qualified fuel ethanol producer in the production of fuel ethanol in the preceding quarter;

- (4) The number of gallons of qualified fuel ethanol the producer expects to manufacture during the month for which the grant is applied;
- (5) A copy of the qualified fuel ethanol producer license required pursuant to subsection 5 of this section, name and address of surety company, and amount of bond to be posted pursuant to subsection 5 of this section; and
- (6) Any other information deemed necessary by the department of agriculture to adequately ensure that such grants shall be made only to Missouri qualified fuel ethanol producers.
- 5. The director of the department of agriculture, in consultation with the department of revenue, shall promulgate rules and regulations necessary for the administration of the provisions of this section. The director shall also establish procedures for bonding Missouri qualified fuel ethanol producers. Each Missouri qualified fuel ethanol producer who attempts to obtain moneys pursuant to this section shall be bonded in an amount not to exceed the estimated maximum monthly grant to be issued to such Missouri qualified fuel ethanol producer.
- 6. [No rule or portion of a rule promulgated under the authority of this section shall become effective unless it has been promulgated pursuant to the provisions of section 536.024, RSMo.] Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, 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, 2002, shall be invalid and void.

142.031. 1. As used in this section the following terms shall mean:

- (1) "Biodiesel", fuel as defined in ASTM Standard D-6751 or its subsequent standard specifications for biodiesel fuel (B100) blend stock for distillate fuels;
- (2) "Qualified biodiesel producer", a facility that produces biodiesel, is registered with the United States Environmental Protection Agency according to the requirements of 40 CFR 79, and at least fifty-one percent is owned by agricultural producers actively engaged in agricultural production for commercial purposes.
- 2. The "Missouri Qualified Biodiesel Producer Incentive Fund" is hereby created and subject to appropriations with funds, other than general revenue funds, shall be used to provide economic subsidies to Missouri qualified biodiesel producers pursuant to this section. The director of the department of agriculture shall administer the fund pursuant

12 to this section.

26

27

28

29

30

31

32

33

34

35

3637

38

39

40

41

42

43

44

45

46

- 13 3. A Missouri qualified biodiesel producer shall be eligible for a monthly grant 14 from the fund, except that a Missouri qualified biodiesel producer shall only be eligible for the grant for a total of sixty months. The amount of the grant is determined by calculating 15 the estimated gallons of qualified biodiesel produced during the preceding month from 16 17 Missouri agricultural products, as certified by the department of agriculture, and applying 18 such figure to the per-gallon incentive credit established in this subsection. Each Missouri qualified biodiesel producer shall be eligible for a total grant in any fiscal year equal to 20 thirty cents per gallon for the first fifteen million gallons of qualified biodiesel produced 21 from Missouri agricultural products in the fiscal year. All such qualified biodiesel 22 produced by a Missouri qualified biodiesel producer in excess of fifteen gallons shall not 23 be applied to the computation of a grant pursuant to this subsection. The department of 24 agriculture shall pay all grants for a particular month by the fifteenth day after receipt and 25 approval of the application described in subsection 4 of this section.
 - 4. In order for a Missouri qualified biodiesel producer to obtain a grant from the fund, an application for such funds shall be received no later than fifteen days following the last day of the month for which the grant is sought. The application shall include:
 - (1) The location of the Missouri qualified biodiesel producer;
 - (2) The average number of citizens of Missouri employed by the Missouri qualified biodiesel producer in the preceding month, if applicable;
 - (3) The number of bushel equivalents of Missouri agricultural commodities used by the Missouri qualified biodiesel producer in the production of biodiesel in the preceding month;
 - (4) The number of gallons of qualified biodiesel the producer manufactures during the month for which the grant is applied;
 - (5) A copy of the qualified biodiesel producer license required pursuant to subsection 5 of this section, name and address of surety company, and amount of bond to be posted pursuant to subsection 5 of this section; and
 - (6) Any other information deemed necessary by the department of agriculture to adequately ensure that such grants shall be made only to Missouri qualified biodiesel producers.
 - 5. The director of the department of agriculture, in consultation with the department of revenue, shall promulgate rules and regulations necessary for the administration of the provisions of this section.
 - 6. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if

it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, 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, 2002, shall be invalid and void.

254.020. As used in this chapter, the following words [shall have the following meanings] **mean**:

- (1) [The word "commission" shall mean] "Best management practices", forest management practices, as defined by the commission in consultation with the clean water commission, that ensure protection of water quality;
- (2) "Commission", the conservation commission of Missouri [upon which, by the terms hereof impressed, are] being responsible for the control, management, restoration, conservation, and regulation of the bird, fish, game, forestry, and all wildlife resources of the state are therefore vested the responsibilities for the administration [hereof in conformity] of this chapter in conformance with sections 40 to 46 of article IV of the Constitution of Missouri; and the words "rules and regulations" shall mean those made by the commission pursuant thereto;
- [(2)] (3) "Conservation commission fund" [as used in this chapter, shall mean], only the moneys arising from the additional sales and use taxes provided for in section 43(a) of article IV of the Constitution of Missouri;
- [(3)] (4) "Forest croplands" [shall mean], those lands devoted exclusively to growing wood and timber, except for such other uses as shall be approved by the commission by regulations and which are tendered to the commission by any person and accepted and classified by the commission as such; and the commission shall prescribe the terms and conditions of such tender, acceptance and classification;
- [(4) The word "person" shall mean] (5) "Person", any individual, male or female, singular or plural, of whatever age[, and this term]. The term person shall include and refer to any owner, grantee, lessee, licensee, permittee, firm, association, copartnership, corporation, municipality or county, as the context may require;
- (6) "Precommercial forestry activities", proper forest management activities, as defined by the commission, that do not generate an immediate profit for the landowner;
- [(5) The title "state forester" shall mean] (7) "State forester", the administrative head of the state forestry program;
- (8) "Sustainable forestry principles", forest management activities, as defined by the commission, that ensure efficient use and continued availability of forest resources.

10 11

12

13

14

15

16 17

18

2

5

6

- 254.040. 1. Any person desiring to have lands designated as forest croplands shall submit an application [therefor] to the state forester on [form or] forms [to be] provided by the commission. The state forester [will] shall make or cause to be made an examination of the lands covered by [said] such application and shall forward a copy of [same] such application, together with his or her recommendations, to the commission. If the commission [approve and classify] approves and classifies such lands as forest croplands, they shall be subject to the provisions of this chapter and [such] rules and regulations promulgated pursuant to this chapter.
 - 2. If the commission [refuse so] **refuses** to accept and classify [said] **such** lands, the applicant may appeal [from] the decision of the commission to the circuit court in which such lands, or major part [thereof] **of such lands**, are located and the decision of the circuit court in all such matters shall be final.
 - 3. No application **to designate lands as forest croplands** shall be accepted for a tract of land containing less than twenty acres; and no such land shall be classified for tax relief if the value thereof shall exceed one hundred twenty-five dollars per acre or a greater value as set by regulation of the commission.
 - 4. No application for the cost-share incentive program established in section 254.225 shall be accepted for lands designated as forest croplands.
 - 254.225. 1. The commission may administer a forest landowner cost-share incentive program to promote sustainable forestry on private lands. Such program may provide reimbursement cost share for up to fifty percent of the cost of precommercial forestry activities on eligible lands. Eligible forestry activities shall be carried out in accordance with best management practices and sustainable forestry principles.
 - 2. Any forest landowner may submit a program application to the state forester on forms provided by the commission. Application procedures and acceptance criteria shall be specified by the commission.
- 9 3. No application for such program shall be accepted for a tract of land containing less than forty acres. The total amount of incentives provided to any person shall not exceed five thousand dollars in any calendar year.
 - 261.110. 1. The department of agriculture shall develop standards and labeling for organic farming.
- 2. The department of agriculture shall adopt rules to implement the provisions of this section.
- 3. [No rule or portion of a rule promulgated pursuant to the authority of this section shall become effective unless it has been promulgated pursuant to the provisions of chapter 536, RSMo.] The department may cooperate with any agency of the federal government, any

14

16

17 18

19

20

state, any other agency in this state, any private entity or person engaged in growing, processing, marketing of organic products, or any group of such persons in this state, in programs to effectuate such purposes. Such agreements may provide for cost and revenue sharing, and for division of duties and responsibilities under this section and may include other provisions generally to effectuate the purposes of this section.

4. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, 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, 2002, shall be invalid and void.

261.120. There is hereby created in the state treasury the "Organic Production and Certification Fee Fund". Fees imposed in accordance with rules promulgated under section 261.110, shall be credited to the organic production and certification fee fund.

261.230. The director of the department of agriculture shall, for the use of the marketing division of the department of agriculture, develop and implement rules and regulations by product category for all Missouri agricultural products included in the AgriMissouri marketing program [or any equivalent successor program. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, 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, 2000, shall be invalid and void].

261.235. 1. There is hereby created in the state treasury for the use of the marketing division of the state department of agriculture a fund to be known as "The Missouri Agricultural Products Marketing Development Fund". [The general assembly shall appropriate to the fund from the general revenue fund one million three hundred thousand dollars for fiscal year 2002, one million dollars for fiscal year 2003 and seven hundred fifty thousand dollars for fiscal years 2004 to 2006.] All moneys received by the state department of agriculture for Missouri agricultural products marketing development from any source, including trademark fees, shall be deposited in the fund. Moneys deposited in the fund shall, upon appropriation by the general assembly to the state department of agriculture, be expended by the marketing division of the

state department of agriculture for [purposes] **promotion** of Missouri agricultural products [marketing development as specified in this section] **under the AgriMissouri program**. The unexpended balance in the Missouri agricultural products marketing development fund at the end of the biennium shall not be transferred to the [ordinary] **general** revenue fund of the state treasury and accordingly shall be exempt from the provisions of section 33.080, RSMo, relating to transfer of funds to the ordinary revenue funds of the state by the state treasurer.

- 2. There is hereby created within the department of agriculture the "Citizens' Advisory Commission for Marketing Missouri Agricultural Products". The commission shall establish guidelines, and make recommendations to the director of agriculture, for the use of funds appropriated by the general assembly for [the spending by] the marketing division of the department of agriculture [of all moneys in], and for all funds collected or appropriated to the Missouri agricultural products marketing development fund created pursuant to subsection 1 of this section. The guidelines shall focus on the promotion of the AgriMissouri [or successor] trademark associated with Missouri agricultural products [which has] that have been approved by the general assembly, and shall advance the following objectives:
- (1) Increasing the impact and fostering the effectiveness of local efforts to promote Missouri agricultural products;
- (2) Enabling and encouraging expanded advertising efforts for Missouri agricultural products;
- (3) Encouraging effective, high-quality advertising projects, innovative marketing strategies, and the coordination of local, regional and statewide marketing efforts;
- (4) Providing training and technical assistance to cooperative-marketing partners of **Missouri agricultural products**.
- 3. The commission [shall] may establish a fee structure for sellers electing to use the AgriMissouri [or successor] trademark associated with Missouri agricultural products. Under the fee structure: (1) a seller having gross annual sales greater than two million dollars per fiscal year of Missouri agricultural products which constitute the final product of a series of processes or activities shall remit to the marketing division of the department of agriculture, at such times and in such manner as may be prescribed, a trademark fee of one-half of one percent of the aggregate amount of all of such seller's wholesale sales of products carrying the AgriMissouri [or successor] trademark; and (2) all sellers having gross annual sales less than or equal to two million dollars per fiscal year of Missouri agricultural products which constitute the final product of a series of processes or activities shall, after three years of selling Missouri agricultural products carrying the AgriMissouri [or successor] trademark, remit to the marketing division of the department of agriculture, at such times and in such manner as may be prescribed, a trademark fee of one-half of one percent of the aggregate amount of all of such seller's wholesale

sales of products carrying the AgriMissouri [or successor] trademark. All trademark fees shall be deposited to the credit of the Missouri agricultural products marketing development fund, created pursuant to this section. [The commission may also create two additional trademark labels to be associated with Missouri agricultural products which are certified organic products and certified family-farm-produced products.]

- 4. The marketing division of the department of agriculture is authorized to [promote] **promulgate** rules consistent with the guidelines and fee structure established by the commission. No rule or portion of a rule shall become effective unless it has been promulgated pursuant to the provisions of chapter 536, RSMo.
- 5. The commission shall consist of nine members appointed by the governor with the advice and consent of the senate. One member shall be the director of the market development division of the department of agriculture, or his or her representative. At least one member shall be a specialist in advertising; at least one member shall be a specialist in agribusiness; at least one member shall be a specialist in communications; at least one member shall be a specialist in product distribution; at least one member shall be a family farmer with expertise in livestock farming; at least one member shall be a family farmer with expertise in grain farming and at least one member shall be a family farmer with expertise in organic farming. Members shall serve for four-year terms, except in the first appointments three members shall be appointed for terms of four years, three members shall be appointed for terms of three years and three members shall be appointed for terms of two years each. Any member appointed to fill a vacancy of an unexpired term shall be appointed for the remainder of the term of the member causing the vacancy. The governor shall appoint a chairperson of the commission, subject to ratification by the commission.
- 6. Commission members shall receive no compensation but shall be reimbursed for actual and necessary expenses incurred in the performance of their official duties on the commission. The division of market development of the department of agriculture shall provide all necessary staff and support services as required by the commission to hold commission meetings, to maintain records of official acts and to conduct all other business of the commission. The commission shall meet quarterly and at any such time that it deems necessary. Meetings may be called by the chairperson or by a petition signed by a majority of the members of the commission. Ten days' notice shall be given in writing to such members prior to the meeting date. A simple majority of the members of the commission shall be present to constitute a quorum. Proxy voting shall not be permitted.

261.239. The marketing division of the department of agriculture shall create an Internet web site for the purpose of fostering the marketing of Missouri agricultural products over the

4

5

6

7

10

11

12

13

14

- Internet. [The web site shall allow consumers to place orders for Missouri agricultural products
- over the Internet and shall enable small companies which process Missouri agricultural products
- to pool products with other such small companies.
- 261.240. Any rule or portion of a rule, as that term is defined in section 536.010, 2 RSMo, that is created under the authority delegated in sections 261.230 to 261.239 shall become effective only if they comply with and are subject to all of the provisions of chapter 536, RSMo, and if applicable, section 536.028, RSMo. These sections and chapter 536, 5 RSMo, are nonseverable and if any of the powers vested with the general assembly 6 pursuant to chapter 536, RSMo, 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, 2001, shall be invalid and 9 void.
 - 263.531. 1. In the event any referendum conducted under sections 263.500 to 263.537 fails to receive the required number of affirmative votes, the certified organization may, with the consent of the department be authorized to call other referendums.
 - 2. After the passage of any referendum, the eligible voters shall be allowed, by the subsequent referendums, at least every [five] ten years, to vote on whether to continue their assessments.
 - 3. All the requirements for an initial referendum shall be met in subsequent referendums.
- 270.170. 1. If any swine or sheep shall be found running at large, contrary to the provisions of this chapter, it shall be lawful for any person on whose premises said swine or sheep shall be found to restrain the same forthwith, and give the owner, if known, notice in writing that [he] such person has restrained said swine or sheep, and the amount of damages [he] such person claims in the premises, and requiring the owner to take said swine or sheep away 5 and pay such damages; and such owner shall pay such person a reasonable sum for taking up, feeding and caring for the same, and the actual damages done by said swine or sheep. If such owner fails to comply with the provisions of this section within three days after receiving such notice, or if the owner of such swine or sheep be unknown, such swine or sheep shall be disposed of in the manner provided for in section 270.180.
 - 2. Any swine not conspicuously identified by ear tags or other forms of identification that were born in the wild or that lived outside of captivity for a sufficient length of time to be considered wild by nature by hiding from humans or being nocturnal shall be considered feral hogs. Any person may take or kill such feral hogs on such person's own property.
- 270.260. Any person who knowingly releases any swine to live in a wild or feral 2 state upon any public land or private land not completely enclosed by a fence capable of

6

7

10

6

7

10

11 12

13

3 containing such animals is guilty of a class A misdemeanor. Each swine so released shall 4 be a separate offense.

270.400. 1. For purposes of this section, the term "feral hog" means any hog, including Russian and European wild boar, that is not conspicuously identified by ear tags or other forms of identification and is roaming freely upon public or private lands without the landowner's permission.

- 2. A person may kill a feral hog roaming freely upon such person's land and shall not be liable to the owner of the hog for the loss of the hog.
- 3. Any person may take or kill a feral hog on public land or private land with the consent of the landowner; except that, during the firearms deer and turkey hunting season the regulations of the Missouri Wildlife Code shall apply. Such person shall not be liable to the owner of the hog for the loss of such hog.
- 4. No person except a landowner or such landowner's agent on such landowner's property shall take or kill a feral hog with the use of an artificial light.

275.464. In addition to any other licenses and charges imposed by chapter 311, RSMo, there shall be collected by the director of the department of agriculture and paid to the director of the department of revenue for deposit in the Missouri wine marketing and research development fund an additional pro rata charge of [three] six dollars per ton of grapes or one hundred sixty gallons of grape juice processed by commercial producers in this state, with three dollars per ton or one hundred sixty gallons being used for research and advisement of grapes and grape products. The charges shall be paid and collected pursuant to sections 275.466 to 275.468.

311.554. 1. In addition to the charges imposed by section 311.550, there shall be paid to and collected by the director of revenue for the privilege of selling wine, an additional charge of six cents per gallon or fraction thereof. The additional charge shall be paid and collected in the same manner and at the same time that the charges imposed by section 311.550 are paid and collected.

2. The revenue derived from the additional charge imposed by subsection 1 shall be deposited by the state treasurer to the credit of a separate account in the marketing development fund created by section 261.035, RSMo. Moneys to the credit of the account shall be appropriated annually for use by the division of the state department of agriculture concerned with market development in developing programs for growing, selling, and marketing of grapes and grape products grown in Missouri, including all necessary funding for the employment of experts in the fields of viticulture and enology as deemed necessary, and programs aimed at improving marketing of all varieties of grapes grown in Missouri; and shall be appropriated and used for no other purpose.

6

7

8

9

10

11

12

13

14

15

1617

18

19

2021

22

23

24

25

26

- 15 3. In addition to the charges imposed by subsection 1 of this section and section 16 311.550, there shall be paid to and collected by the director of revenue for the privilege of selling wine an additional charge of six cents per gallon or fraction thereof. This additional six cents per gallon shall be deposited by the state treasurer to the credit of a separate 18 account in the marketing development fund created by section 261.035, RSMo. Moneys to 20 the credit account shall be appropriated annually for the use by the division of the 21 Missouri department of agriculture concerned with the research and advisement of grapes 22 and grape products in Missouri, including all necessary funding for the employment of 23 experts in the fields of viticulture and enology.
- 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:
- 4 (1) "Authority", the agriculture and small business development authority as provided 5 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) "Eligible new generation processing entity", a partnership, corporation, cooperative, or limited liability company organized or incorporated pursuant to the laws of this state consisting of not less than twelve members, approved by the authority, for the purpose of owning or operating within this state a development facility or a renewable fuel production facility in which producer members:
 - (a) Hold a majority of the governance or voting rights of the entity and any governing committee;
 - (b) Control the hiring and firing of management; and
 - (c) Deliver agricultural commodities or products to the entity for processing, unless processing is required by multiple entities;
 - [(5)] **(6)** "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 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 or eligible new generation processing entity 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] in 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

- 64 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:
- 4 (1) "Authority", the agriculture and small business development authority as provided 5 in this chapter;
- 6 (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 8 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) "Eligible new generation processing entity", a partnership, corporation, cooperative, or limited liability company organized or incorporated pursuant to the laws of this state consisting of not less than twelve members, approved by the authority, for the purpose of owning or operating within this state a development facility or a renewable fuel production facility in which producer members:
 - (a) Hold a majority of the governance or voting rights of the entity and any governing committee;
 - (b) Control the hiring and firing of management; and
 - (c) Deliver agricultural commodities or products to the entity for processing, unless processing is required by multiple entities;
 - [(4)] (5) "Employee-qualified capital project", an eligible new generation cooperative with capital costs greater than fifteen million dollars which will employ at least one hundred employees;
 - [(5)] (6) "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;]
 - (7) "Producer member", a person, partnership, corporation, trust or limited liability company whose main purpose is agricultural production that invests cash funds to an eligible new generation cooperative or eligible new generation processing entity;
 - [(7)] **(8)** "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

36 source;

- [(8)] **(9)** "Small capital project", an eligible new generation cooperative with capital costs of no more than one million dollars.
- 3. Beginning tax year 1999, and [subsequent tax years] ending December 31, 2002, any producer member who invests cash funds in an eligible new generation cooperative or eligible new generation processing entity may receive a credit against the 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 producer member's investment or fifteen thousand dollars.
- 4. For all tax years beginning on or after January 1, 2003, any producer member who invests cash funds in an eligible new generation cooperative may receive a credit against the tax otherwise due pursuant to chapter 143, RSMo, other than taxes withheld pursuant to sections 143.191 to 143.265, RSMo, chapter 147, RSMo, or chapter 148, RSMo, in an amount equal to the lesser of fifty percent of such producer member's investment or fifteen thousand dollars.
- [4.] 5. A producer 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 producer 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] in the taxable year in which the producer member contributes capital to an eligible new generation cooperative or eligible new generation processing entity. Any amount of credit that exceeds the tax due for a producer member's taxable year may be carried back to any of the producer member's three prior taxable years and carried forward to any of the producer member's five subsequent taxable years. Tax credits issued pursuant to this section may be assigned, transferred, sold or otherwise conveyed and the new owner of the tax credit shall have the same rights in the credit as the producer 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.] 6. Ten percent of the tax credits authorized pursuant to this section initially shall be offered in any fiscal year to small capital projects. If 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 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.

73

77 78

81

82 83

84

2

3 4

6

7

8

[6.] 7. 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 75 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 76 capital project is three million dollars and the maximum tax credit allowed per large capital project is one million five hundred thousand dollars. If the authority approves the maximum tax credit allowed for any employee-qualified capital project or any large capital project, then the 80 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.

407.592. Sections 407.585 to 407.592 shall apply to any new farm machinery sold after January 1, 1988, but no provision of sections 407.585 to 407.592 shall operate or be construed to invalidate, impair, or otherwise infringe upon the specific requirements of any contract between a dealer and a manufacturer entered into prior to September 28, 1987, and which is in effect on September 28, 1987; provided, however, that in any case wherein warranty repair work is performed for a consumer by a farm equipment dealer under the provisions of a manufacturer's express warranty, the manufacturer shall reimburse the dealer at an hourly labor rate that is the same or greater than the hourly labor rate the dealer currently charges consumers for nonwarranty repair work. The dealer may accept the manufacturer's reimbursement terms and conditions in lieu of the above. 10

407.850. As used in sections 407.850 to 407.885, the following terms mean:

- (1) "Current model", a model listed in the wholesaler's, manufacturer's or distributor's current sales manual or any supplements thereto;
- (2) "Current net price", the price listed in the wholesaler's, manufacturer's or distributor's price list or catalogue in effect at the time the contract is canceled or discontinued, less any applicable trade and cash discounts;
- (3) "Inventory", [farm] equipment, implements, machinery, attachments and repair parts;
- 9 (4) "Net cost", the price the retailer actually paid for the merchandise to the wholesaler, manufacturer or distributor, plus freight from the wholesaler's, manufacturer's or distributor's 10 location to the dealer's location; 11
- 12 (5) "Retailer", any person, firm or corporation engaged in the business of selling, repairing and retailing: 13

- 14 (a) Farm implements, machinery, attachments or repair parts;
- 15 (b) Industrial, maintenance and construction power equipment; or
- 16 (c) Outdoor power equipment used for lawn, garden, golf course, landscaping or grounds
- 17 maintenance;
- 18 but shall not include retailers of petroleum and motor vehicles and related automotive care and
- 19 replacement products normally sold by such retailers.
 - 407.860. 1. The wholesaler, manufacturer or distributor shall repurchase that inventory
- 2 previously purchased from him and held by the retailer at the date of termination of the contract.
- 3 The provisions of sections 407.850 to 407.885 shall apply to the transferee of such wholesaler,
- 4 manufacturer or distributor if such transferee acquired substantially all of the assets of such
- 5 wholesaler, manufacturer or distributor. The wholesaler, manufacturer or distributor shall pay
- 6 one hundred percent of the net cost of all new, unsold, undamaged and complete [farm]
- 7 **equipment,** implements, machinery, and attachments and ninety-five percent of the current net
- 8 price of all new, unused and undamaged repair parts. The retailer shall pay the cost of
- 9 transportation to the nearest warehouse maintained by the wholesaler, manufacturer, or
- 10 distributor, or to a mutually agreeable site. The wholesaler, manufacturer or distributor shall pay
- 11 the retailer five percent of the current net price on all new, unused and undamaged repair parts
- 12 returned to cover the cost of handling, packing and loading. The wholesaler, manufacturer or
- 3 distributor shall have the option of performing the handling, packing and loading in lieu of
- 14 paying the five percent for these services. The retailer shall pay the cost of transportation to the
- 15 nearest warehouse maintained by the wholesaler, manufacturer, or distributor, or to a mutually
- 16 agreeable site.
 - 2. Upon payment of the repurchase amount to the retailer, the title and right of
- 18 possession to the repurchased inventory shall transfer to the wholesaler, manufacturer or
- 19 distributor.

- 407.870. The provisions of sections 407.850 to 407.885 shall not require the repurchase
- 2 from a retailer of:
- 3 (1) Any repair part which because of its condition is not resalable as a new part without
- 4 repackaging or reconditioning;
 - (2) Any inventory for which the retailer is unable to furnish evidence, satisfactory to the
- 6 wholesaler, manufacturer or distributor, of title, free and clear of all claims, liens and
- 7 encumbrances;
- 8 (3) Any inventory which the retailer desires to keep, provided the retailer has a
- 9 contractual right to do so;
- 10 (4) Any **equipment**, implements, machinery, and attachments which are not in new,
- 11 unused, undamaged, or complete condition;

7

8

10

11

2

3

4

- 12 (5) Any repair parts which are not in new, unused, or undamaged condition;
- 13 (6) Any **equipment**, implements, machinery or attachments which were purchased twenty-four months or more prior to notice of termination of the contract;
- 15 (7) Any inventory which was ordered by the retailer on or after the date of notification of termination of the contract;
- 17 (8) Any inventory which was acquired by the retailer from any source other than the 18 wholesaler, manufacturer or distributor or transferee of such wholesaler, manufacturer or 19 distributor unless such inventory was acquired from any source authorized or arranged by 20 the manufacturer.
 - 414.032. 1. All kerosene, diesel fuel, heating oil, aviation turbine fuel, gasoline, gasoline-alcohol blends and other motor fuels shall meet the requirements in the annual book of ASTM standards and supplements thereto. The director may promulgate rules and regulations on the labeling, standards for, and identity of motor fuels and heating oils.
 - 2. [All sellers of motor fuel which has been blended with an alcohol additive shall notify the buyer of same.
 - 3. All sellers of motor fuel which has been blended with at least one percent oxygenate by weight shall notify the buyer at the pump of the type of oxygenate. The provisions of this subsection may be satisfied with a sticker or label on the pump stating that the motor fuel may or may not contain the oxygenate. The department of agriculture shall provide the sticker or label, which shall be reasonable in size and content, at no cost to the sellers.
- 4.] The director may inspect gasoline, gasoline-alcohol blends or other motor fuels to insure that these fuels conform to advertised grade and octane. In no event shall the penalty for a first violation of this section exceed a written reprimand.
- 414.043. After July 1, 2005, no gasoline sold, offered for sale, or stored within this state shall contain more than one-half of one percent by volume of methyl tertiary butyl ether (MTBE).
- 701.381. The provisions of sections 701.350 to 701.380, RSMo, shall not apply to any device that is inaccessible to the public, not used to transport passengers and was built before January 1, 1940.
- 701.383. Single person elevator lifts and belt manlifts operating only in grain elevators or feed mills will be exempt from sections 701.350 to 701.380 unless inspection is requested by the owner.
 - [407.750. Whenever any person, firm, or corporation engaged in the business of selling and repairing industrial, maintenance and construction power equipment enters into a written or parol contract whereby such retailer agrees to maintain a stock of parts or machines or equipment or attachments with any wholesaler, manufacturer, or distributor of industrial, maintenance and construction power equipment used for

7

8

9

10

11 12

13

14

15 16

17 18

19

20 21

22

23

24

25

26 27

28

29

30

31 32

33

34

35

36 37

38

39

40 41

42

43 44

45

46

47

48

industrial, maintenance or construction applications and either such wholesaler, manufacturer, or distributor desires to cancel or discontinue the contract, such wholesaler, manufacturer, or distributor shall pay to such retailer, unless the retailer should desire to keep such merchandise, a sum equal to ninety percent of the net cost of all new, unused, undamaged and complete industrial, maintenance and construction power equipment used for industrial, maintenance and construction applications including transportation charges which have been paid by such retailer, and ninety percent of the current net price on new, unused and undamaged repair parts at the price listed in the current price lists or catalogues, which parts had previously been purchased from such wholesaler, manufacturer, or distributor in the previous two years, and held by such retailer on the date of the cancellation of such contract. Any parts in a dealer's inventory for more than two years shall be returned for ninety percent of his original purchase cost. "Net cost" means the price the retailer actually paid for the equipment. "Current net price" means the price listed in the manufacturer's, wholesaler's or distributor's price list or catalogue in effect on the date of termination, less any applicable trade or cash discounts. Upon the payment of the sum equal to ninety percent of the net cost of such equipment and ninety percent of the current net price on the repair parts, the title to such machinery and repair parts shall pass to the manufacturer, wholesaler or distributor making such payment, and such manufacturer, wholesaler, or distributor shall be entitled to the possession of such equipment and repair parts. All payments required to be made under the provisions of this section must be made within ninety days after the return of the machinery or repair parts. After ninety days, all payments or allowances shall include interest at the rate stated in section 408.040, RSMo. The provisions of this section shall not require the repurchase from a retailer of:

- (1) Any repair part which has a limited storage life or is otherwise subject to deterioration, such as rubber items, gaskets or batteries;
 - (2) Any repair part which is in a broken or damaged package;
 - (3) Any single repair part which is priced as a set of two or more items:
- (4) Any repair part which because of its condition is not resalable as a new part without repackaging or reconditioning;
- (5) Any inventory for which the retailer is unable to furnish evidence, satisfactory to the wholesaler, manufacturer or distributor, of title, free and clear of all claims, liens and encumbrances;
- (6) Any inventory which the retailer desires to keep, provided the retailer has a contractual right to do so;
- (7) Any implements, machinery, and attachments which are not in new, unused, undamaged, or complete condition;
 - (8) Any repair parts which are not in new, unused, or undamaged condition;
- (9) Any implements, machinery or attachments which were purchased twenty-four months or more prior to notice of termination of the contract;
- (10) Any inventory which was ordered by the retailer on or after the date of notification of termination of the contract;

- (11) Any inventory which was acquired by the retailer from any source other than the wholesaler, manufacturer or distributor or transferee of such wholesaler, manufacturer or distributor;
 - (12) Any part that has been removed from an engine or short block or piece of equipment or any part that has been mounted or installed on an engine or on equipment.]

[407.751. The provisions of section 407.750 shall be supplemental to any agreement between the retailer and the manufacturer, wholesaler or distributor covering the return of equipment and repair parts. The retailer may elect to pursue either his contract remedy or the remedy provided herein, and an election by the retailer to pursue his contract remedy shall not bar his right to the remedy provided herein as to those equipment and repair parts not affected by the contract remedy.]

[407.752. In the event that any manufacturer, wholesaler, or distributor of machinery and repair parts for industrial, maintenance and construction power equipment used for industrial, maintenance and construction applications, upon cancellation of a contract by either a retailer or a manufacturer, wholesaler, or distributor, fails or refuses to make payment to such dealer as required by the provisions of section 407.750, such manufacturer, wholesaler, or distributor shall be liable in a civil action to the retailer for costs of litigation and attorney's fees and for one hundred percent of the net cost of such machinery, plus transportation charges which have been paid by the retailer and one hundred percent of the current net price of the repair parts.]

[407.890. Whenever any person, firm, or corporation engaged in the business of selling and repairing outdoor power equipment used for lawn, garden, golf course, landscaping or grounds maintenance, enters into a written or parol contract whereby such retailer agrees to maintain a stock of parts or machines or equipment or attachments with any wholesaler, manufacturer, or distributor of outdoor power equipment used for lawn, garden, golf course, landscaping or grounds maintenance, and either such wholesaler, manufacturer, or distributor desires to cancel or discontinue the contract, such wholesaler, manufacturer, or distributor shall pay to such retailer, unless the retailer should desire to keep such merchandise, a sum equal to ninety percent of the net cost of all new, unused, undamaged and complete outdoor power equipment used for lawn, garden, golf course, landscaping or grounds maintenance, including transportation charges which have been paid by such retailer, and ninety percent of the current net price on new, unused and undamaged repair parts at the price listed in the current price lists or catalogues, which parts had previously been purchased from such wholesaler, manufacturer, or distributor in the previous two years, and held by such retailer on the date of the cancellation of such contract. Any parts in dealer's inventory for more than two years shall be returned for ninety percent of his original purchase cost. "Net cost" means the price the retailer actually paid for the equipment. "Current net price" means the price listed in the manufacturer's, wholesaler's or distributor's price list or catalogue in effect on the date of termination, less any applicable trade or cash discounts. Upon the

nent and achinery ing such d to the be made e return ces shall s of this
ing such d to the be made e return ces shall s of this
d to the be made e return ces shall s of this
e made e return ces shall s of this
e return ces shall s of this
ces shall s of this
s of this
biect to
3
ems;
s a new
vidence,
clear of
ailer has
11101 1100
in new,
,
ndition;
rchased
date of
ce other
olesaler,
,
or piece
e or on
l to any
tributor
pursue
by the
rovided
medy.]
butor of
len, golf
y either
o make

5	payment to such dealer as required by the provisions of section 407.890, such
6	manufacturer, wholesaler, or distributor shall be liable in a civil action to the retaile
7	for costs of litigation and attorneys' fees and for one hundred percent of the net cos
8	of such machinery, plus transportation charges which have been paid by the retaile
9	and one hundred percent of the current net price of the repair parts.]
	Section B. If any provision of this act or the application thereof to anyone or to any
2	circumstances is held invalid, the remainder of those sections and the application of such
3	provisions to others or other circumstances shall not be affected thereby.