

FIRST REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
SENATE SUBSTITUTE FOR

**SENATE BILL NO. 22**

**99TH GENERAL ASSEMBLY**

0608H.13C

D. ADAM CRUMBLISS, Chief Clerk

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**AN ACT**

To repeal section 441.236, RSMo, and to enact in lieu thereof six new sections relating to contaminated homes, with a penalty provision and an emergency clause.

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

Section A. Section 441.236, RSMo, is repealed and six new sections enacted in lieu thereof, to be known as sections 260.850, 260.855, 260.860, 260.865, 441.236, and 640.780 to read as follows:

**260.850. Sections 260.850 to 260.865 shall be known as the "Missouri Contaminated Home Acquisition Program".**

**260.855. As used in sections 260.850 to 260.865, the following terms shall mean:**

(1) "Department", the Missouri department of natural resources;

(2) "Home", a single-family house, duplex, triplex, quadraplex, or a unit in a multiunit residential structure in which title to each individual unit is transferred to the owner under a condominium or cooperative system, and shall include common areas and common elements as defined in subdivision (4) of section 448.1-103. "Home" shall include the land and improvements to land under and around the house, unit, or structure. "Home" shall also include a manufactured home as defined in section 700.010.

**260.860. There is hereby created in the state treasury the "Missouri Contaminated Home Acquisition Program Fund", which shall consist of moneys derived from the department of natural resources' sale of land as specified in section 640.780. The state treasurer shall be the custodian of the fund. In accordance with sections 30.170 and 30.180, the state treasurer may approve disbursements from the fund. Upon appropriation by the general assembly, moneys in the fund shall be used solely to purchase homes that**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

7 meet the requirements set forth in section 260.865. Notwithstanding the provisions of  
8 section 33.080 to the contrary, any moneys remaining in the fund at the end of the  
9 biennium shall not revert to the credit of the general revenue fund. The state treasurer  
10 shall invest moneys in the fund in the same manner as other funds are invested. Any  
11 interest and moneys earned on such investments shall be credited to the fund.

206.865. 1. Any Missouri homeowner whose home is determined by a federal or  
2 state environmental agency to be permanently uninhabitable as of the effective date of this  
3 section due to contamination of radium groundwater above maximum contaminant level  
4 that is not naturally occurring for which the homeowner is not responsible shall be eligible  
5 to sell such home for the fair market value less any cash settlement previously received or  
6 awarded on this property to the state of Missouri through the Missouri contaminated home  
7 acquisition program administered by the department.

8 2. In order to sell such home, the homeowner shall complete an application to the  
9 department on forms prescribed by the department. The application shall include:

10 (1) The homeowners' name;

11 (2) The address of the home;

12 (3) Proof of home ownership, including relevant title documents, warranty deeds,  
13 special warranty deeds, trustee's deeds, and quit claim deeds;

14 (4) An appraisal of the home indicating the fair market value of the home that is  
15 dated within the previous three calendar months from the date of application; and

16 (5) Any other information the department deems necessary.

17 3. The department shall assess the homeowners' application within ninety calendar  
18 days, and notify the applicant of any deficiencies in writing by certified mail. Upon  
19 notification of application deficiencies, the applicant shall have an additional thirty  
20 calendar days to cure such deficiencies. Upon receiving a completed application cured of  
21 any deficiencies, the department shall have ninety calendar days to process the  
22 homeowners' application, make its final decision to approve or disapprove the application,  
23 and advise the applicant in writing by certified mail of its decision.

24 4. If the department disagrees with the appraisal of the home indicating the fair  
25 market value of the home, then the department shall also perform an appraisal on the  
26 home with such expenses paid by the Missouri contaminated home acquisition program  
27 fund established under section 260.860. Concurrently, a third appraisal of the fair market  
28 value of the home shall be conducted by a real estate appraiser certified or licensed under  
29 chapter 339 mutually agreed upon by the department and the applicant at the applicant's  
30 cost. Upon completion of all three appraisals, the fair market value shall be determined  
31 by averaging the fair market value of all three appraisals. The appraisal process shall be

32 concluded within ninety calendar days from the applicant's date of application. In the  
33 event either party is dissatisfied with the value determined by averaging such three  
34 appraisals, such party may bring an action for review in any court of competent  
35 jurisdiction. The court shall rule on any such petition for review in an expedited manner.

36 **5. Any homeowner who applies to the department under subsection 2 of this section**  
37 **shall be given priority based upon the order in which their application was received.**  
38 **Secondary priority shall be given to any homeowner who applies to the department under**  
39 **subsection 2 of this section who has not received any past remediation from, or on behalf**  
40 **of, any private or government entity for the contaminated home.**

41 **6. The Missouri contaminated home acquisition program costs shall not exceed**  
42 **twelve million five hundred thousand dollars. Upon such program costs meeting the twelve**  
43 **million five hundred thousand dollar limitation, such program shall terminate.**

44 **7. The department shall promulgate rules and regulations to administer the**  
45 **Missouri contaminated home acquisition program. Any rule or portion of a rule, as that**  
46 **term is defined in section 536.010 that is created under the authority delegated in this**  
47 **section shall become effective only if it complies with and is subject to all of the provisions**  
48 **of chapter 536, and, if applicable, section 536.028. This section and chapter 536 are**  
49 **nonseverable and if any of the powers vested with the general assembly pursuant to**  
50 **chapter 536, to review, to delay the effective date, or to disapprove and annul a rule are**  
51 **subsequently held unconstitutional, then the grant of rulemaking authority and any rule**  
52 **proposed or adopted on or after the effective date of this section, shall be invalid and void.**

441.236. 1. In the event that any premises to be rented, leased, sold, transferred or  
2 conveyed is or was used as a site for methamphetamine production, the owner, seller, landlord  
3 or other transferor shall disclose in writing to the prospective lessee, purchaser or transferee the  
4 fact that methamphetamine was produced on the premises, provided that the owner, seller,  
5 landlord or other transferor has knowledge of such prior methamphetamine production. The  
6 owner shall disclose any prior knowledge of methamphetamine production, regardless of whether  
7 the persons involved in the production were convicted for such production.

8 **2. In the event that any premises to be rented, leased, sold, transferred, or conveyed**  
9 **is or was previously contaminated with radioactive material, the owner, seller, landlord,**  
10 **or other transferor shall disclose in writing to the prospective lessee, purchaser, or**  
11 **transferee the fact the premises is or was previously contaminated with radioactive**  
12 **material; provided that, the owner, seller, landlord, or other transferor has knowledge of**  
13 **such radioactive contamination. In the event that an owner, seller, landlord, or other**  
14 **transferor does not make the disclosure as required under this subsection, and the person**

15 had knowledge of such radioactive contamination, the person shall be guilty of a class A  
16 misdemeanor.

640.780. 1. The department of natural resources and all other state departments,  
2 agencies, or entities shall sell at public auction; provided that, such requirement to sell at  
3 public auction does not conflict with any other provision of law, any and all property  
4 interest to land purchased in fiscal year 2016 to fiscal year 2018, through legal settlement  
5 funds administered in whole or in part by the department of natural resources. The  
6 purchase price of any properties sold must be at least equal to the fair market value. Any  
7 properties to be sold may be subdivided up to one sixteenth part of a section provided that  
8 the price per acre is not less than the acreage cost of the original purchase price.

9 2. Any agreement, condition, restriction, dedication, covenant, or other  
10 encumbrance included in the conveyance of land required in subsection 1 of this section  
11 shall be considered null, void, and unenforceable upon the effective date of this section.

12 3. As a condition of the sale of this property, the purchaser shall agree to the  
13 following covenant appurtenant, which shall be included in the conveyance following the  
14 property description and shall remain in effect on this property for a specifically limited  
15 amount of time as any agency of the state of Missouri exists to permit, restrict, regulate,  
16 and otherwise harass Missouri citizens and businesses, for the purported purpose of  
17 environmental restoration, preservation, and protection:

18 "Provided that this property shall never be sold to, leased, or otherwise controlled by a  
19 state or federal agency."

20 4. After August 28, 2017, the department of natural resources and all other state  
21 departments, agencies, or entities shall not purchase any property interest through legal  
22 settlement funds administered in whole or in part by the department of natural resources.

23 5. Any taxpayer of the state shall have standing to enforce the provisions of this  
24 section and, in addition to specific performance, shall be entitled to reasonable attorney's  
25 fees.

26 6. The provisions of this section shall be construed to include any leasehold, option  
27 contracts, or easement rights acquired by any state department, agency, or entity.

28 7. The provisions of this section are severable. If any part of this section is declared  
29 invalid or unconstitutional, it is the intent of the legislature that the remaining portions of  
30 this section shall remain and be in full force and effect.

Section B. Because of the timely nature of the state seeking to recover assets to reallocate  
2 to assist Missouri citizens who reside in areas that have been deemed unhealthy and  
3 uninhabitable, section A of this act is deemed necessary for the immediate preservation of the  
4 public health, welfare, peace and safety, and is hereby declared to be an emergency act within

5 the meaning of the constitution, and section A of this act shall be in full force and effect upon  
6 its passage and approval.

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