

HOUSE COMMITTEE SUBSTITUTE

FOR

SENATE SUBSTITUTE

FOR

SENATE BILL NO. 618

AN ACT

To repeal sections 67.5122, 144.030, 393.1009, 393.1012, 393.1015, 442.404, 523.262, 610.021, 620.2451, and 620.2459, RSMo, and to enact in lieu thereof thirteen new sections relating to utilities.

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

Section A. Sections 67.5122, 144.030, 393.1009, 393.1012, 393.1015, 442.404, 523.262, 610.021, 620.2451, and 620.2459, RSMo, are repealed and thirteen new sections enacted in lieu thereof, to be known as sections 144.030, 393.1009, 393.1012, 393.1015, 442.404, 523.262, 610.021, 620.2451, 620.2459, 640.142, 640.144, 640.145, and 1, to read as follows:

144.030. 1. There is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and from the computation of the tax levied, assessed or payable pursuant to sections 144.010 to 144.525 such retail sales as may be made in commerce between this state and any other state of the United States, or between this state and any foreign country, and any retail sale which the state of Missouri is prohibited from taxing pursuant to the Constitution or laws of the United States of

1 America, and such retail sales of tangible personal property
2 which the general assembly of the state of Missouri is prohibited
3 from taxing or further taxing by the constitution of this state.

4 2. There are also specifically exempted from the provisions
5 of the local sales tax law as defined in section 32.085, section
6 238.235, and sections 144.010 to 144.525 and 144.600 to 144.761
7 and from the computation of the tax levied, assessed or payable
8 pursuant to the local sales tax law as defined in section 32.085,
9 section 238.235, and sections 144.010 to 144.525 and 144.600 to
10 144.745:

11 (1) Motor fuel or special fuel subject to an excise tax of
12 this state, unless all or part of such excise tax is refunded
13 pursuant to section 142.824; or upon the sale at retail of fuel
14 to be consumed in manufacturing or creating gas, power, steam,
15 electrical current or in furnishing water to be sold ultimately
16 at retail; or feed for livestock or poultry; or grain to be
17 converted into foodstuffs which are to be sold ultimately in
18 processed form at retail; or seed, limestone or fertilizer which
19 is to be used for seeding, liming or fertilizing crops which when
20 harvested will be sold at retail or will be fed to livestock or
21 poultry to be sold ultimately in processed form at retail;
22 economic poisons registered pursuant to the provisions of the
23 Missouri pesticide registration law, sections 281.220 to 281.310,
24 which are to be used in connection with the growth or production
25 of crops, fruit trees or orchards applied before, during, or
26 after planting, the crop of which when harvested will be sold at
27 retail or will be converted into foodstuffs which are to be sold

1 ultimately in processed form at retail;

2 (2) Materials, manufactured goods, machinery and parts
3 which when used in manufacturing, processing, compounding,
4 mining, producing or fabricating become a component part or
5 ingredient of the new personal property resulting from such
6 manufacturing, processing, compounding, mining, producing or
7 fabricating and which new personal property is intended to be
8 sold ultimately for final use or consumption; and materials,
9 including without limitation, gases and manufactured goods,
10 including without limitation slagging materials and firebrick,
11 which are ultimately consumed in the manufacturing process by
12 blending, reacting or interacting with or by becoming, in whole
13 or in part, component parts or ingredients of steel products
14 intended to be sold ultimately for final use or consumption;

15 (3) Materials, replacement parts and equipment purchased
16 for use directly upon, and for the repair and maintenance or
17 manufacture of, motor vehicles, watercraft, railroad rolling
18 stock or aircraft engaged as common carriers of persons or
19 property;

20 (4) Replacement machinery, equipment, and parts and the
21 materials and supplies solely required for the installation or
22 construction of such replacement machinery, equipment, and parts,
23 used directly in manufacturing, mining, fabricating or producing
24 a product which is intended to be sold ultimately for final use
25 or consumption; and machinery and equipment, and the materials
26 and supplies required solely for the operation, installation or
27 construction of such machinery and equipment, purchased and used

1 to establish new, or to replace or expand existing, material
2 recovery processing plants in this state. For the purposes of
3 this subdivision, a "material recovery processing plant" means a
4 facility that has as its primary purpose the recovery of
5 materials into a usable product or a different form which is used
6 in producing a new product and shall include a facility or
7 equipment which are used exclusively for the collection of
8 recovered materials for delivery to a material recovery
9 processing plant but shall not include motor vehicles used on
10 highways. For purposes of this section, the terms motor vehicle
11 and highway shall have the same meaning pursuant to section
12 301.010. For the purposes of this subdivision, subdivision (5)
13 of this subsection, and section 144.054, as well as the
14 definition in subdivision (9) of subsection 1 of section 144.010,
15 the term "product" includes telecommunications services and the
16 term "manufacturing" shall include the production, or production
17 and transmission, of telecommunications services. The preceding
18 sentence does not make a substantive change in the law and is
19 intended to clarify that the term "manufacturing" has included
20 and continues to include the production and transmission of
21 "telecommunications services", as enacted in this subdivision and
22 subdivision (5) of this subsection, as well as the definition in
23 subdivision (9) of subsection 1 of section 144.010. The
24 preceding two sentences reaffirm legislative intent consistent
25 with the interpretation of this subdivision and subdivision (5)
26 of this subsection in *Southwestern Bell Tel. Co. v. Director of*
27 *Revenue*, 78 S.W.3d 763 (Mo. banc 2002) and *Southwestern Bell Tel.*

1 Co. v. Director of Revenue, 182 S.W.3d 226 (Mo. banc 2005), and
2 accordingly abrogates the Missouri supreme court's interpretation
3 of those exemptions in IBM Corporation v. Director of Revenue,
4 491 S.W.3d 535 (Mo. banc 2016) to the extent inconsistent with
5 this section and Southwestern Bell Tel. Co. v. Director of
6 Revenue, 78 S.W.3d 763 (Mo. banc 2002) and Southwestern Bell Tel.
7 Co. v. Director of Revenue, 182 S.W.3d 226 (Mo. banc 2005). The
8 construction and application of this subdivision as expressed by
9 the Missouri supreme court in DST Systems, Inc. v. Director of
10 Revenue, 43 S.W.3d 799 (Mo. banc 2001); Southwestern Bell Tel.
11 Co. v. Director of Revenue, 78 S.W.3d 763 (Mo. banc 2002); and
12 Southwestern Bell Tel. Co. v. Director of Revenue, 182 S.W.3d 226
13 (Mo. banc 2005), is hereby affirmed. Material recovery is not
14 the reuse of materials within a manufacturing process or the use
15 of a product previously recovered. The material recovery
16 processing plant shall qualify under the provisions of this
17 section regardless of ownership of the material being recovered;

18 (5) Machinery and equipment, and parts and the materials
19 and supplies solely required for the installation or construction
20 of such machinery and equipment, purchased and used to establish
21 new or to expand existing manufacturing, mining or fabricating
22 plants in the state if such machinery and equipment is used
23 directly in manufacturing, mining or fabricating a product which
24 is intended to be sold ultimately for final use or consumption.
25 The construction and application of this subdivision as expressed
26 by the Missouri supreme court in DST Systems, Inc. v. Director of
27 Revenue, 43 S.W.3d 799 (Mo. banc 2001); Southwestern Bell Tel.

1 Co. v. Director of Revenue, 78 S.W.3d 763 (Mo. banc 2002); and
2 Southwestern Bell Tel. Co. v. Director of Revenue, 182 S.W.3d 226
3 (Mo. banc 2005), is hereby affirmed;

4 (6) Tangible personal property which is used exclusively in
5 the manufacturing, processing, modification or assembling of
6 products sold to the United States government or to any agency of
7 the United States government;

8 (7) Animals or poultry used for breeding or feeding
9 purposes, or captive wildlife;

10 (8) Newsprint, ink, computers, photosensitive paper and
11 film, toner, printing plates and other machinery, equipment,
12 replacement parts and supplies used in producing newspapers
13 published for dissemination of news to the general public;

14 (9) The rentals of films, records or any type of sound or
15 picture transcriptions for public commercial display;

16 (10) Pumping machinery and equipment used to propel
17 products delivered by pipelines engaged as common carriers;

18 (11) Railroad rolling stock for use in transporting persons
19 or property in interstate commerce and motor vehicles licensed
20 for a gross weight of twenty-four thousand pounds or more or
21 trailers used by common carriers, as defined in section 390.020,
22 in the transportation of persons or property;

23 (12) Electrical energy used in the actual primary
24 manufacture, processing, compounding, mining or producing of a
25 product, or electrical energy used in the actual secondary
26 processing or fabricating of the product, or a material recovery
27 processing plant as defined in subdivision (4) of this

1 subsection, in facilities owned or leased by the taxpayer, if the
2 total cost of electrical energy so used exceeds ten percent of
3 the total cost of production, either primary or secondary,
4 exclusive of the cost of electrical energy so used or if the raw
5 materials used in such processing contain at least twenty-five
6 percent recovered materials as defined in section 260.200. There
7 shall be a rebuttable presumption that the raw materials used in
8 the primary manufacture of automobiles contain at least
9 twenty-five percent recovered materials. For purposes of this
10 subdivision, "processing" means any mode of treatment, act or
11 series of acts performed upon materials to transform and reduce
12 them to a different state or thing, including treatment necessary
13 to maintain or preserve such processing by the producer at the
14 production facility;

15 (13) Anodes which are used or consumed in manufacturing,
16 processing, compounding, mining, producing or fabricating and
17 which have a useful life of less than one year;

18 (14) Machinery, equipment, appliances and devices purchased
19 or leased and used solely for the purpose of preventing, abating
20 or monitoring air pollution, and materials and supplies solely
21 required for the installation, construction or reconstruction of
22 such machinery, equipment, appliances and devices;

23 (15) Machinery, equipment, appliances and devices purchased
24 or leased and used solely for the purpose of preventing, abating
25 or monitoring water pollution, and materials and supplies solely
26 required for the installation, construction or reconstruction of
27 such machinery, equipment, appliances and devices;

1 (16) Tangible personal property purchased by a rural water
2 district;

3 (17) All amounts paid or charged for admission or
4 participation or other fees paid by or other charges to
5 individuals in or for any place of amusement, entertainment or
6 recreation, games or athletic events, including museums, fairs,
7 zoos and planetariums, owned or operated by a municipality or
8 other political subdivision where all the proceeds derived
9 therefrom benefit the municipality or other political subdivision
10 and do not inure to any private person, firm, or corporation,
11 provided, however, that a municipality or other political
12 subdivision may enter into revenue-sharing agreements with
13 private persons, firms, or corporations providing goods or
14 services, including management services, in or for the place of
15 amusement, entertainment or recreation, games or athletic events,
16 and provided further that nothing in this subdivision shall
17 exempt from tax any amounts retained by any private person, firm,
18 or corporation under such revenue-sharing agreement;

19 (18) All sales of insulin, and all sales, rentals, repairs,
20 and parts of durable medical equipment, prosthetic devices, and
21 orthopedic devices as defined on January 1, 1980, by the federal
22 Medicare program pursuant to Title XVIII of the Social Security
23 Act of 1965, including the items specified in Section 1862(a)(12)
24 of that act, and also specifically including hearing aids and
25 hearing aid supplies and all sales of drugs which may be legally
26 dispensed by a licensed pharmacist only upon a lawful
27 prescription of a practitioner licensed to administer those

1 items, including samples and materials used to manufacture
2 samples which may be dispensed by a practitioner authorized to
3 dispense such samples and all sales or rental of medical oxygen,
4 home respiratory equipment and accessories including parts, and
5 hospital beds and accessories and ambulatory aids including
6 parts, and all sales or rental of manual and powered wheelchairs
7 including parts, and stairway lifts, Braille writers, electronic
8 Braille equipment and, if purchased or rented by or on behalf of
9 a person with one or more physical or mental disabilities to
10 enable them to function more independently, all sales or rental
11 of scooters including parts, and reading machines, electronic
12 print enlargers and magnifiers, electronic alternative and
13 augmentative communication devices, and items used solely to
14 modify motor vehicles to permit the use of such motor vehicles by
15 individuals with disabilities or sales of over-the-counter or
16 nonprescription drugs to individuals with disabilities, and drugs
17 required by the Food and Drug Administration to meet the
18 over-the-counter drug product labeling requirements in 21 CFR
19 201.66, or its successor, as prescribed by a health care
20 practitioner licensed to prescribe;

21 (19) All sales made by or to religious and charitable
22 organizations and institutions in their religious, charitable or
23 educational functions and activities and all sales made by or to
24 all elementary and secondary schools operated at public expense
25 in their educational functions and activities;

26 (20) All sales of aircraft to common carriers for storage
27 or for use in interstate commerce and all sales made by or to

1 not-for-profit civic, social, service or fraternal organizations,
2 including fraternal organizations which have been declared
3 tax-exempt organizations pursuant to Section 501(c)(8) or (10) of
4 the 1986 Internal Revenue Code, as amended, in their civic or
5 charitable functions and activities and all sales made to
6 eleemosynary and penal institutions and industries of the state,
7 and all sales made to any private not-for-profit institution of
8 higher education not otherwise excluded pursuant to subdivision
9 (19) of this subsection or any institution of higher education
10 supported by public funds, and all sales made to a state relief
11 agency in the exercise of relief functions and activities;

12 (21) All ticket sales made by benevolent, scientific and
13 educational associations which are formed to foster, encourage,
14 and promote progress and improvement in the science of
15 agriculture and in the raising and breeding of animals, and by
16 nonprofit summer theater organizations if such organizations are
17 exempt from federal tax pursuant to the provisions of the
18 Internal Revenue Code and all admission charges and entry fees to
19 the Missouri state fair or any fair conducted by a county
20 agricultural and mechanical society organized and operated
21 pursuant to sections 262.290 to 262.530;

22 (22) All sales made to any private not-for-profit
23 elementary or secondary school, all sales of feed additives,
24 medications or vaccines administered to livestock or poultry in
25 the production of food or fiber, all sales of pesticides used in
26 the production of crops, livestock or poultry for food or fiber,
27 all sales of bedding used in the production of livestock or

1 poultry for food or fiber, all sales of propane or natural gas,
2 electricity or diesel fuel used exclusively for drying
3 agricultural crops, natural gas used in the primary manufacture
4 or processing of fuel ethanol as defined in section 142.028,
5 natural gas, propane, and electricity used by an eligible new
6 generation cooperative or an eligible new generation processing
7 entity as defined in section 348.432, and all sales of farm
8 machinery and equipment, other than airplanes, motor vehicles and
9 trailers, and any freight charges on any exempt item. As used in
10 this subdivision, the term "feed additives" means tangible
11 personal property which, when mixed with feed for livestock or
12 poultry, is to be used in the feeding of livestock or poultry.
13 As used in this subdivision, the term "pesticides" includes
14 adjuvants such as crop oils, surfactants, wetting agents and
15 other assorted pesticide carriers used to improve or enhance the
16 effect of a pesticide and the foam used to mark the application
17 of pesticides and herbicides for the production of crops,
18 livestock or poultry. As used in this subdivision, the term
19 "farm machinery and equipment" means new or used farm tractors
20 and such other new or used farm machinery and equipment and
21 repair or replacement parts thereon and any accessories for and
22 upgrades to such farm machinery and equipment, rotary mowers used
23 exclusively for agricultural purposes, and supplies and
24 lubricants used exclusively, solely, and directly for producing
25 crops, raising and feeding livestock, fish, poultry, pheasants,
26 chukar, quail, or for producing milk for ultimate sale at retail,
27 including field drain tile, and one-half of each purchaser's

1 purchase of diesel fuel therefor which is:

2 (a) Used exclusively for agricultural purposes;

3 (b) Used on land owned or leased for the purpose of
4 producing farm products; and

5 (c) Used directly in producing farm products to be sold
6 ultimately in processed form or otherwise at retail or in
7 producing farm products to be fed to livestock or poultry to be
8 sold ultimately in processed form at retail;

9 (23) Except as otherwise provided in section 144.032, all
10 sales of metered water service, electricity, electrical current,
11 natural, artificial or propane gas, wood, coal or home heating
12 oil for domestic use and in any city not within a county, all
13 sales of metered or unmetered water service for domestic use:

14 (a) "Domestic use" means that portion of metered water
15 service, electricity, electrical current, natural, artificial or
16 propane gas, wood, coal or home heating oil, and in any city not
17 within a county, metered or unmetered water service, which an
18 individual occupant of a residential premises uses for
19 nonbusiness, noncommercial or nonindustrial purposes. Utility
20 service through a single or master meter for residential
21 apartments or condominiums, including service for common areas
22 and facilities and vacant units, shall be deemed to be for
23 domestic use. Each seller shall establish and maintain a system
24 whereby individual purchases are determined as exempt or
25 nonexempt;

26 (b) Regulated utility sellers shall determine whether
27 individual purchases are exempt or nonexempt based upon the

1 seller's utility service rate classifications as contained in
2 tariffs on file with and approved by the Missouri public service
3 commission. Sales and purchases made pursuant to the rate
4 classification "residential" and sales to and purchases made by
5 or on behalf of the occupants of residential apartments or
6 condominiums through a single or master meter, including service
7 for common areas and facilities and vacant units, shall be
8 considered as sales made for domestic use and such sales shall be
9 exempt from sales tax. Sellers shall charge sales tax upon the
10 entire amount of purchases classified as nondomestic use. The
11 seller's utility service rate classification and the provision of
12 service thereunder shall be conclusive as to whether or not the
13 utility must charge sales tax;

14 (c) Each person making domestic use purchases of services
15 or property and who uses any portion of the services or property
16 so purchased for a nondomestic use shall, by the fifteenth day of
17 the fourth month following the year of purchase, and without
18 assessment, notice or demand, file a return and pay sales tax on
19 that portion of nondomestic purchases. Each person making
20 nondomestic purchases of services or property and who uses any
21 portion of the services or property so purchased for domestic
22 use, and each person making domestic purchases on behalf of
23 occupants of residential apartments or condominiums through a
24 single or master meter, including service for common areas and
25 facilities and vacant units, under a nonresidential utility
26 service rate classification may, between the first day of the
27 first month and the fifteenth day of the fourth month following

1 the year of purchase, apply for credit or refund to the director
2 of revenue and the director shall give credit or make refund for
3 taxes paid on the domestic use portion of the purchase. The
4 person making such purchases on behalf of occupants of
5 residential apartments or condominiums shall have standing to
6 apply to the director of revenue for such credit or refund;

7 (24) All sales of handicraft items made by the seller or
8 the seller's spouse if the seller or the seller's spouse is at
9 least sixty-five years of age, and if the total gross proceeds
10 from such sales do not constitute a majority of the annual gross
11 income of the seller;

12 (25) Excise taxes, collected on sales at retail, imposed by
13 Sections 4041, 4071, 4081, 4091, 4161, 4181, 4251, 4261 and 4271
14 of Title 26, United States Code. The director of revenue shall
15 promulgate rules pursuant to chapter 536 to eliminate all state
16 and local sales taxes on such excise taxes;

17 (26) Sales of fuel consumed or used in the operation of
18 ships, barges, or waterborne vessels which are used primarily in
19 or for the transportation of property or cargo, or the conveyance
20 of persons for hire, on navigable rivers bordering on or located
21 in part in this state, if such fuel is delivered by the seller to
22 the purchaser's barge, ship, or waterborne vessel while it is
23 afloat upon such river;

24 (27) All sales made to an interstate compact agency created
25 pursuant to sections 70.370 to 70.441 or sections 238.010 to
26 238.100 in the exercise of the functions and activities of such
27 agency as provided pursuant to the compact;

1 (28) Computers, computer software and computer security
2 systems purchased for use by architectural or engineering firms
3 headquartered in this state. For the purposes of this
4 subdivision, "headquartered in this state" means the office for
5 the administrative management of at least four integrated
6 facilities operated by the taxpayer is located in the state of
7 Missouri;

8 (29) All livestock sales when either the seller is engaged
9 in the growing, producing or feeding of such livestock, or the
10 seller is engaged in the business of buying and selling,
11 bartering or leasing of such livestock;

12 (30) All sales of barges which are to be used primarily in
13 the transportation of property or cargo on interstate waterways;

14 (31) Electrical energy or gas, whether natural, artificial
15 or propane, water, or other utilities which are ultimately
16 consumed in connection with the manufacturing of cellular glass
17 products or in any material recovery processing plant as defined
18 in subdivision (4) of this subsection;

19 (32) Notwithstanding other provisions of law to the
20 contrary, all sales of pesticides or herbicides used in the
21 production of crops, aquaculture, livestock or poultry;

22 (33) Tangible personal property and utilities purchased for
23 use or consumption directly or exclusively in the research and
24 development of agricultural/biotechnology and plant genomics
25 products and prescription pharmaceuticals consumed by humans or
26 animals;

27 (34) All sales of grain bins for storage of grain for

1 resale;

2 (35) All sales of feed which are developed for and used in
3 the feeding of pets owned by a commercial breeder when such sales
4 are made to a commercial breeder, as defined in section 273.325,
5 and licensed pursuant to sections 273.325 to 273.357;

6 (36) All purchases by a contractor on behalf of an entity
7 located in another state, provided that the entity is authorized
8 to issue a certificate of exemption for purchases to a contractor
9 under the provisions of that state's laws. For purposes of this
10 subdivision, the term "certificate of exemption" shall mean any
11 document evidencing that the entity is exempt from sales and use
12 taxes on purchases pursuant to the laws of the state in which the
13 entity is located. Any contractor making purchases on behalf of
14 such entity shall maintain a copy of the entity's exemption
15 certificate as evidence of the exemption. If the exemption
16 certificate issued by the exempt entity to the contractor is
17 later determined by the director of revenue to be invalid for any
18 reason and the contractor has accepted the certificate in good
19 faith, neither the contractor or the exempt entity shall be
20 liable for the payment of any taxes, interest and penalty due as
21 the result of use of the invalid exemption certificate.

22 Materials shall be exempt from all state and local sales and use
23 taxes when purchased by a contractor for the purpose of
24 fabricating tangible personal property which is used in
25 fulfilling a contract for the purpose of constructing, repairing
26 or remodeling facilities for the following:

27 (a) An exempt entity located in this state, if the entity

1 is one of those entities able to issue project exemption
2 certificates in accordance with the provisions of section
3 144.062; or

4 (b) An exempt entity located outside the state if the
5 exempt entity is authorized to issue an exemption certificate to
6 contractors in accordance with the provisions of that state's law
7 and the applicable provisions of this section;

8 (37) All sales or other transfers of tangible personal
9 property to a lessor who leases the property under a lease of one
10 year or longer executed or in effect at the time of the sale or
11 other transfer to an interstate compact agency created pursuant
12 to sections 70.370 to 70.441 or sections 238.010 to 238.100;

13 (38) Sales of tickets to any collegiate athletic
14 championship event that is held in a facility owned or operated
15 by a governmental authority or commission, a quasi-governmental
16 agency, a state university or college or by the state or any
17 political subdivision thereof, including a municipality, and that
18 is played on a neutral site and may reasonably be played at a
19 site located outside the state of Missouri. For purposes of this
20 subdivision, "neutral site" means any site that is not located on
21 the campus of a conference member institution participating in
22 the event;

23 (39) All purchases by a sports complex authority created
24 under section 64.920, and all sales of utilities by such
25 authority at the authority's cost that are consumed in connection
26 with the operation of a sports complex leased to a professional
27 sports team;

1 (40) All materials, replacement parts, and equipment
2 purchased for use directly upon, and for the modification,
3 replacement, repair, and maintenance of aircraft, aircraft power
4 plants, and aircraft accessories;

5 (41) Sales of sporting clays, wobble, skeet, and trap
6 targets to any shooting range or similar places of business for
7 use in the normal course of business and money received by a
8 shooting range or similar places of business from patrons and
9 held by a shooting range or similar place of business for
10 redistribution to patrons at the conclusion of a shooting event;

11 (42) All sales of motor fuel, as defined in section
12 142.800, used in any watercraft, as defined in section 306.010;

13 (43) Any new or used aircraft sold or delivered in this
14 state to a person who is not a resident of this state or a
15 corporation that is not incorporated in this state, and such
16 aircraft is not to be based in this state and shall not remain in
17 this state more than ten business days subsequent to the last to
18 occur of:

19 (a) The transfer of title to the aircraft to a person who
20 is not a resident of this state or a corporation that is not
21 incorporated in this state; or

22 (b) The date of the return to service of the aircraft in
23 accordance with 14 CFR 91.407 for any maintenance, preventive
24 maintenance, rebuilding, alterations, repairs, or installations
25 that are completed contemporaneously with the transfer of title
26 to the aircraft to a person who is not a resident of this state
27 or a corporation that is not incorporated in this state;

1 (44) Motor vehicles registered in excess of fifty-four
2 thousand pounds, and the trailers pulled by such motor vehicles,
3 that are actually used in the normal course of business to haul
4 property on the public highways of the state, and that are
5 capable of hauling loads commensurate with the motor vehicle's
6 registered weight; and the materials, replacement parts, and
7 equipment purchased for use directly upon, and for the repair and
8 maintenance or manufacture of such vehicles. For purposes of
9 this subdivision, "motor vehicle" and "public highway" shall have
10 the meaning as ascribed in section 390.020;

11 (45) All internet access or the use of internet access
12 regardless of whether the tax is imposed on a provider of
13 internet access or a buyer of internet access. For purposes of
14 this subdivision, the following terms shall mean:

15 (a) "Direct costs", costs incurred by a governmental
16 authority solely because of an internet service provider's use of
17 the public right-of-way. The term shall not include costs that
18 the governmental authority would have incurred if the internet
19 service provider did not make such use of the public
20 right-of-way. Direct costs shall be determined in a manner
21 consistent with generally accepted accounting principles;

22 (b) "Internet", computer and telecommunications facilities,
23 including equipment and operating software, that comprises the
24 interconnected worldwide network that employ the transmission
25 control protocol or internet protocol, or any predecessor or
26 successor protocols to that protocol, to communicate information
27 of all kinds by wire or radio;

1 (c) "Internet access", a service that enables users to
2 connect to the internet to access content, information, or other
3 services without regard to whether the service is referred to as
4 telecommunications, communications, transmission, or similar
5 services, and without regard to whether a provider of the service
6 is subject to regulation by the Federal Communications Commission
7 as a common carrier under 47 U.S.C. Section 201, et seq. For
8 purposes of this subdivision, internet access also includes: the
9 purchase, use, or sale of communications services, including
10 telecommunications services as defined in section 144.010, to the
11 extent the communications services are purchased, used, or sold
12 to provide the service described in this subdivision or to
13 otherwise enable users to access content, information, or other
14 services offered over the internet; services that are incidental
15 to the provision of a service described in this subdivision, when
16 furnished to users as part of such service, including a home
17 page, electronic mail, and instant messaging, including
18 voice-capable and video-capable electronic mail and instant
19 messaging, video clips, and personal electronic storage capacity;
20 a home page electronic mail and instant messaging, including
21 voice-capable and video-capable electronic mail and instant
22 messaging, video clips, and personal electronic storage capacity
23 that are provided independently or that are not packed with
24 internet access. As used in this subdivision, internet access
25 does not include voice, audio, and video programming or other
26 products and services, except services described in this
27 paragraph or this subdivision, that use internet protocol or any

1 successor protocol and for which there is a charge, regardless of
2 whether the charge is separately stated or aggregated with the
3 charge for services described in this paragraph or this
4 subdivision;

5 (d) "Tax", any charge imposed by the state or a political
6 subdivision of the state for the purpose of generating revenues
7 for governmental purposes and that is not a fee imposed for a
8 specific privilege, service, or benefit conferred, except as
9 described as otherwise under this subdivision, or any obligation
10 imposed on a seller to collect and to remit to the state or a
11 political subdivision of the state any gross retail tax, sales
12 tax, or use tax imposed on a buyer by such a governmental entity.
13 The term tax shall not include any franchise fee or similar fee
14 imposed or authorized under section 67.1830 or 67.2689; Section
15 622 or 653 of the Communications Act of 1934, 47 U.S.C. Section
16 542 and 47 U.S.C. Section 573; or any other fee related to
17 obligations of telecommunications carriers under the
18 Communications Act of 1934, 47 U.S.C. Section 151, et seq.,
19 except to the extent that:

20 a. The fee is not imposed for the purpose of recovering
21 direct costs incurred by the franchising or other governmental
22 authority from providing the specific privilege, service, or
23 benefit conferred to the payer of the fee; or

24 b. The fee is imposed for the use of a public right-of-way
25 based on a percentage of the service revenue, and the fee exceeds
26 the incremental direct costs incurred by the governmental
27 authority associated with the provision of that right-of-way to

1 the provider of internet access service.

2
3 Nothing in this subdivision shall be interpreted as an exemption
4 from taxes due on goods or services that were subject to tax on
5 January 1, 2016; and

6 (46) All purchases by a Missouri company of solar
7 photovoltaic energy distributed generation systems and all
8 purchases of supplies used directly to make improvements to such
9 systems, provided that such systems:

10 (a) Allow for energy storage;

11 (b) Include advanced or smart meter inverter capacity; and

12 (c) Allow for utility scale projects greater than twenty
13 megawatts.

14
15 For purposes of this subdivision, the term "Missouri company"
16 shall mean any corporation or other business organization that is
17 registered with the secretary of state, has at least one physical
18 office located in this state, and employs at least three
19 residents of this state in full-time positions.

20 3. Any ruling, agreement, or contract, whether written or
21 oral, express or implied, between a person and this state's
22 executive branch, or any other state agency or department,
23 stating, agreeing, or ruling that such person is not required to
24 collect sales and use tax in this state despite the presence of a
25 warehouse, distribution center, or fulfillment center in this
26 state that is owned or operated by the person or an affiliated
27 person shall be null and void unless it is specifically approved

1 by a majority vote of each of the houses of the general assembly.
2 For purposes of this subsection, an "affiliated person" means any
3 person that is a member of the same controlled group of
4 corporations as defined in Section 1563(a) of the Internal
5 Revenue Code of 1986, as amended, as the vendor or any other
6 entity that, notwithstanding its form of organization, bears the
7 same ownership relationship to the vendor as a corporation that
8 is a member of the same controlled group of corporations as
9 defined in Section 1563(a) of the Internal Revenue Code, as
10 amended.

11 393.1009. As used in sections 393.1009 to 393.1015, the
12 following terms mean:

13 (1) "Appropriate pretax revenues", the revenues necessary
14 to produce net operating income equal to:

15 (a) The gas corporation's weighted cost of capital
16 multiplied by the net original cost of eligible infrastructure
17 system replacements, including recognition of accumulated
18 deferred income taxes and accumulated depreciation associated
19 with eligible infrastructure system replacements which are
20 included in a currently effective ISRS; and

21 (b) Recover state, federal, and local income or excise
22 taxes applicable to such income; and

23 (c) Recover all other ISRS costs;

24 (2) "Commission", the Missouri public service commission;

25 (3) "Eligible infrastructure system replacements", gas
26 utility plant projects that:

27 (a) Do not increase revenues by directly connecting the

1 infrastructure replacement to new customers;

2 (b) Are in service and used and useful;

3 (c) Were not included in the gas corporation's rate base in
4 its most recent general rate case; and

5 (d) Replace or extend the useful life of an existing
6 infrastructure;

7 (4) "Gas corporation", every corporation, company,
8 association, joint stock company or association, partnership and
9 person, their lessees, trustees or receivers appointed by any
10 court whatsoever, owning, operating, controlling, or managing any
11 gas plant operating for public use under privilege, license, or
12 franchise now or hereafter granted by the state or any political
13 subdivision, county, or municipality thereof as defined in
14 section 386.020;

15 (5) "Gas utility plant projects" ~~may~~ shall consist only
16 of the following:

17 (a) Mains, valves, service lines, regulator stations,
18 vaults, and other pipeline system components installed to comply
19 with state or federal safety requirements as replacements for
20 existing facilities that have worn out or are in deteriorated
21 condition or that can no longer be installed under currently
22 applicable safety requirements or any cast iron or steel
23 facilities including any connected or associated facilities that,
24 regardless of their material, age, or condition, are replaced as
25 part of a qualifying replacement project in a manner that adds no
26 incremental cost to a project compared to tying into or reusing
27 existing facilities;

1 (b) Main relining projects, service line insertion
2 projects, joint encapsulation projects, and other similar
3 projects extending the useful life or enhancing the integrity of
4 pipeline system components undertaken to comply with state or
5 federal safety requirements; and

6 (c) Facilities relocations required due to construction or
7 improvement of a highway, road, street, public way, or other
8 public work by or on behalf of the United States, this state, a
9 political subdivision of this state, or another entity having the
10 power of eminent domain provided that the costs related to such
11 projects have not been reimbursed to the gas corporation;

12 (6) "ISRS", infrastructure system replacement surcharge;

13 (7) "ISRS costs", depreciation expense and property taxes
14 that will be due within twelve months of the ISRS filing;

15 (8) "ISRS revenues", revenues produced through an ISRS
16 exclusive of revenues from all other rates and charges.

17 393.1012. 1. Notwithstanding any provisions of chapter 386
18 and this chapter to the contrary, beginning August 28, 2003, a
19 gas corporation providing gas service may file a petition and
20 proposed rate schedules with the commission to establish or
21 change ISRS rate schedules that will allow for the adjustment of
22 the gas corporation's rates and charges to provide for the
23 recovery of costs for eligible infrastructure system
24 replacements. The commission may not approve an ISRS to the
25 extent it would produce total annualized ISRS revenues below the
26 lesser of one million dollars or one-half of one percent of the
27 gas corporation's base revenue level approved by the commission

1 in the gas corporation's most recent general rate proceeding.
2 The commission may not approve an ISRS to the extent it would
3 produce total annualized ISRS revenues exceeding ten percent of
4 the gas corporation's base revenue level approved by the
5 commission in the gas corporation's most recent general rate
6 proceeding. An ISRS and any future changes thereto shall be
7 calculated and implemented in accordance with the provisions of
8 sections 393.1009 to 393.1015. ISRS revenues shall be subject to
9 a refund based upon a finding and order of the commission to the
10 extent provided in subsections 5 and 8 of section [~~393.1009~~]
11 393.1015.

12 2. The commission shall not approve an ISRS for any gas
13 corporation that has not had a general rate proceeding decided or
14 dismissed by issuance of a commission order within the past three
15 years, unless the gas corporation has filed for or is the subject
16 of a new general rate proceeding.

17 3. In no event shall a gas corporation collect an ISRS for
18 a period exceeding three years unless the gas corporation has
19 filed for or is the subject of a new general rate proceeding;
20 provided that the ISRS may be collected until the effective date
21 of new rate schedules established as a result of the new general
22 rate proceeding, or until the subject general rate proceeding is
23 otherwise decided or dismissed by issuance of a commission order
24 without new rates being established.

25 4. In order for a gas corporation to file a petition with
26 the commission to establish or change an ISRS, such corporation
27 shall, by July 1, 2021, develop and file with the commission a

1 pre-qualification process for contractors seeking to participate
2 in competitive bidding to install ISRS-eligible gas utility plant
3 projects. Under the pre-qualification process, the gas
4 corporation may specify certain eligibility requirements
5 typically accepted by the industry, including but not limited to,
6 experience, performance criteria, safety policies, and insurance
7 or indemnification requirements to be met by any contractor
8 seeking to participate in competitive bidding to install ISRS-
9 eligible gas utility plant projects. Contractors that meet the
10 pre-qualification criteria set by the gas corporation shall be
11 eligible to participate in the competitive bidding process for
12 installing ISRS-eligible gas utility plant projects, with the
13 winning bid awarded to the contractor making the overall lowest
14 and best bid, as defined in subsection 2 of section 34.010. The
15 gas corporation shall file, by January 1, 2022, a verified
16 statement with the commission confirming that it has in place a
17 pre-qualification process for the competitive bidding of ISRS-
18 eligible gas utility plant projects, and that such process
19 conforms with the requirements of this section. The commission
20 shall have the authority to verify the statement to ensure
21 compliance with this section. After January 1, 2022, the gas
22 corporation shall submit with each petition filing to establish
23 or change an ISRS a verified statement confirming that it is
24 using a competitive bidding process for no less than twenty-five
25 percent of the combined external installation expenditures made
26 by the gas corporation's operating units in Missouri for
27 installing ISRS-eligible gas utility plant projects, and that

1 such process conforms with the requirements set forth in this
2 section. The commission shall have the authority to verify the
3 statement to ensure compliance with this section. Nothing in
4 this section shall be construed as requiring any gas corporation
5 to use a pre-qualified contractor or competitive bidding process
6 in the case of an emergency project, or to terminate any existing
7 contract with a contractor prior to its expiration; provided
8 however, that the use of any preexisting contract for the
9 installation of ISRS-eligible gas utility plant projects shall
10 not qualify as fulfilling the twenty-five percent requirement set
11 forth in this section beyond December 31, 2022. For contractors
12 not qualifying through the competitive bid process, the gas
13 corporation, upon request from the contractor, shall provide
14 information from the process in which the contractor can be
15 informed as to how to be better positioned to qualify for such
16 bid opportunities in the future.

17 5. By December 31, 2023, and annually thereafter, the
18 commission shall submit a report to the general assembly on the
19 effects of subsection 4 of this section, including gas
20 corporation compliance, potential legislative action regarding
21 subsection 4 of this section, the costs of installing ISRS-
22 eligible gas utility plant projects prior to the implementation
23 of subsection 4 of this section compared to after the
24 implementation of subsection 4 of this section, and any other
25 information regarding the processes established under subsection
26 4 of this section that the commission deems necessary.

27 393.1015. 1. (1) At the time that a gas corporation files

1 a petition with the commission seeking to establish or change an
2 ISRS, it shall submit proposed ISRS rate schedules and its
3 supporting documentation regarding the calculation of the
4 proposed ISRS with the petition, and shall serve the office of
5 the public counsel with a copy of its petition, its proposed rate
6 schedules, and its supporting documentation.

7 (2) Upon the filing of a petition, and any associated rate
8 schedules, seeking to establish or change an ISRS, the commission
9 shall publish notice of the filing.

10 2. (1) When a petition, along with any associated proposed
11 rate schedules, is filed pursuant to the provisions of sections
12 393.1009 to 393.1015, the commission shall conduct an examination
13 of the proposed ISRS.

14 (2) The staff of the commission may examine information of
15 the gas corporation to confirm that the underlying costs are in
16 accordance with the provisions of sections 393.1009 to 393.1015,
17 and to confirm proper calculation of the proposed charge, and may
18 submit a report regarding its examination to the commission not
19 later than ~~[sixty]~~ ninety days after the petition is filed. No
20 other revenue requirement or ratemaking issues may be examined in
21 consideration of the petition or associated proposed rate
22 schedules filed pursuant to the provisions of sections 393.1009
23 to 393.1015.

24 (3) The commission may hold a hearing on the petition and
25 any associated rate schedules and shall issue an order to become
26 effective not later than one hundred ~~[twenty]~~ eighty days after
27 the petition is filed.

1 (4) If the commission finds that a petition complies with
2 the requirements of sections 393.1009 to 393.1015, the commission
3 shall enter an order authorizing the corporation to impose an
4 ISRS that is sufficient to recover appropriate pretax revenue, as
5 determined by the commission pursuant to the provisions of
6 sections 393.1009 to 393.1015.

7 3. A gas corporation may effectuate a change in its rate
8 pursuant to the provisions of this section no more often than two
9 times every twelve months.

10 4. In determining the appropriate pretax revenue, the
11 commission shall consider only the following factors:

12 (1) The current state, federal, and local income tax or
13 excise rates;

14 (2) The gas corporation's actual regulatory capital
15 structure as determined during the most recent general rate
16 proceeding of the gas corporation;

17 (3) The actual cost rates for the gas corporation's debt
18 and preferred stock as determined during the most recent general
19 rate proceeding of the gas corporation;

20 (4) The gas corporation's cost of common equity as
21 determined during the most recent general rate proceeding of the
22 gas corporation;

23 (5) The current property tax rate or rates applicable to
24 the eligible infrastructure system replacements;

25 (6) The current depreciation rates applicable to the
26 eligible infrastructure system replacements; and

27 (7) In the event information pursuant to subdivisions (2),

1 (3), and (4) of this subsection is unavailable and the commission
2 is not provided with such information on an agreed-upon basis,
3 the commission shall refer to the testimony submitted during the
4 most recent general rate proceeding of the gas corporation and
5 use, in lieu of any such unavailable information, the recommended
6 capital structure, recommended cost rates for debt and preferred
7 stock, and recommended cost of common equity that would produce
8 the average weighted cost of capital based upon the various
9 recommendations contained in such testimony.

10 5. (1) The monthly ISRS charge may be calculated based on
11 a reasonable estimate of billing units in the period in which the
12 charge will be in effect, which shall be conclusively established
13 by dividing the appropriate pretax revenues by the customer
14 numbers reported by the gas corporation in the annual report it
15 most recently filed with the commission pursuant to subdivision
16 (6) of section 393.140, and then further dividing this quotient
17 by twelve. Provided, however, that the monthly ISRS may vary
18 according to customer class and may be calculated based on
19 customer numbers as determined during the most recent general
20 rate proceeding of the gas corporation so long as the monthly
21 ISRS for each customer class maintains a proportional
22 relationship equivalent to the proportional relationship of the
23 monthly customer charge for each customer class.

24 (2) At the end of each twelve-month calendar period the
25 ISRS is in effect, the gas corporation shall reconcile the
26 differences between the revenues resulting from an ISRS and the
27 appropriate pretax revenues as found by the commission for that

1 period and shall submit the reconciliation and a proposed ISRS
2 adjustment to the commission for approval to recover or refund
3 the difference, as appropriate, through adjustments of an ISRS
4 charge.

5 6. (1) A gas corporation that has implemented an ISRS
6 pursuant to the provisions of sections 393.1009 to 393.1015 shall
7 file revised rate schedules to reset the ISRS to zero when new
8 base rates and charges become effective for the gas corporation
9 following a commission order establishing customer rates in a
10 general rate proceeding that incorporates in the utility's base
11 rates subject to subsections 8 and 9 of this section eligible
12 costs previously reflected in an ISRS.

13 (2) Upon the inclusion in a gas corporation's base rates
14 subject to subsections 8 and 9 of this section of eligible costs
15 previously reflected in an ISRS, the gas corporation shall
16 immediately thereafter reconcile any previously unreconciled ISRS
17 revenues as necessary to ensure that revenues resulting from the
18 ISRS match as closely as possible the appropriate pretax revenues
19 as found by the commission for that period.

20 7. A gas corporation's filing of a petition or change to an
21 ISRS pursuant to the provisions of sections 393.1009 to 393.1015
22 shall not be considered a request for a general increase in the
23 gas corporation's base rates and charges.

24 8. Commission approval of a petition, and any associated
25 rate schedules, to establish or change an ISRS pursuant to the
26 provisions of sections 393.1009 to 393.1015 shall in no way be
27 binding upon the commission in determining the ratemaking

1 treatment to be applied to eligible infrastructure system
2 replacements during a subsequent general rate proceeding when the
3 commission may undertake to review the prudence of such costs.
4 In the event the commission disallows, during a subsequent
5 general rate proceeding, recovery of costs associated with
6 eligible infrastructure system replacements previously included
7 in an ISRS, the gas corporation shall offset its ISRS in the
8 future as necessary to recognize and account for any such
9 overcollections.

10 9. Nothing in this section shall be construed as limiting
11 the authority of the commission to review and consider
12 infrastructure system replacement costs along with other costs
13 during any general rate proceeding of any gas corporation.

14 10. Nothing contained in sections 393.1009 to 393.1015
15 shall be construed to impair in any way the authority of the
16 commission to review the reasonableness of the rates or charges
17 of a gas corporation, including review of the prudence of
18 eligible infrastructure system replacements made by a gas
19 corporation, pursuant to the provisions of section 386.390.

20 11. The commission shall have authority to promulgate rules
21 for the implementation of sections 393.1009 to 393.1015, but only
22 to the extent such rules are consistent with, and do not delay
23 the implementation of, the provisions of sections 393.1009 to
24 393.1015. Any rule or portion of a rule, as that term is defined
25 in section 536.010, that is created under the authority delegated
26 in this section shall become effective only if it complies with
27 and is subject to all of the provisions of chapter 536 and, if

1 applicable, section 536.028. This section and chapter 536 are
2 nonseverable and if any of the powers vested with the general
3 assembly pursuant to chapter 536 to review, to delay the
4 effective date, or to disapprove and annul a rule are
5 subsequently held unconstitutional, then the grant of rulemaking
6 authority and any rule proposed or adopted after August 28, 2003,
7 shall be invalid and void.

8 12. The provisions of sections 393.1009 to 393.1015 shall
9 expire on August 28, 2029.

10 442.404. 1. As used in this section, the following terms
11 shall mean:

12 (1) "Homeowners' association", a nonprofit corporation or
13 unincorporated association of homeowners created under a
14 declaration to own and operate portions of a planned community or
15 other residential subdivision that has the power under the
16 declaration to assess association members to pay the costs and
17 expenses incurred in the performance of the association's
18 obligations under the declaration or tenants-in-common with
19 respect to the ownership of common ground or amenities of a
20 planned community or other residential subdivision. This term
21 shall not include a condominium unit owners' association as
22 defined and provided for in subdivision (3) of section 448.1-103
23 or a residential cooperative;

24 (2) "Political signs", any fixed, ground-mounted display in
25 support of or in opposition to a person seeking elected office or
26 a ballot measure excluding any materials that may be attached;

27 (3) "Solar panel or solar collector", a device used to

1 collect and convert solar energy into electricity or thermal
2 energy including, but not limited to, photovoltaic cells or
3 panels or solar thermal systems.

4 2. (1) No deed restrictions, covenants, or similar binding
5 agreements running with the land shall prohibit or have the
6 effect of prohibiting the display of political signs.

7 ~~[3.]~~ (2) A homeowners' association has the authority to
8 adopt reasonable rules, subject to any applicable statutes or
9 ordinances, regarding the time, size, place, number, and manner
10 of display of political signs.

11 ~~[4.]~~ (3) A homeowners' association may remove a political
12 sign without liability if such sign is placed within the common
13 ground, threatens the public health or safety, violates an
14 applicable statute or ordinance, is accompanied by sound or
15 music, or if any other materials are attached to the political
16 sign. Subject to the foregoing, a homeowners' association shall
17 not remove a political sign from the property of a homeowner or
18 impose any fine or penalty upon the homeowner unless it has given
19 such homeowner three days after providing written notice to the
20 homeowner, which notice shall specifically identify the rule and
21 the nature of the violation.

22 3. (1) No deed restrictions, covenants, or similar binding
23 agreements running with the land shall limit or prohibit, or have
24 the effect of limiting or prohibiting, the installation of solar
25 panels or solar collectors on the rooftop of any property or
26 structure.

27 (2) A homeowners' association may adopt reasonable rules,

1 subject to any applicable statutes or ordinances, regarding the
2 placement of solar panels or solar collectors to the extent that
3 those rules do not prevent the installation of the device, impair
4 the functioning of the device, restrict the use of the device, or
5 adversely affect the cost or efficiency of the device.

6 (3) The provisions of this subsection shall apply only with
7 regard to rooftops that are owned, controlled, and maintained by
8 the owner of the property or structure.

9 523.262. 1. Except as set forth in subsection 2 of this
10 section, the power of eminent domain shall only be vested in
11 governmental bodies or agencies whose governing body is elected
12 or whose governing body is appointed by elected officials or in
13 an urban redevelopment corporation operating pursuant to a
14 redevelopment agreement with the municipality for a particular
15 redevelopment area, which agreement was executed prior to or on
16 December 31, 2006.

17 2. A private utility company, public utility, rural
18 electric cooperative, municipally owned utility, pipeline,
19 railroad or common carrier shall have the power of eminent domain
20 as may be granted pursuant to the provisions of other sections of
21 the revised statutes of Missouri. For the purposes of this
22 section, the term "common carrier" shall not include motor
23 carriers, contract carriers, or express companies. Where a
24 condemnation by such an entity results in a displaced person, as
25 defined in section 523.200, the provisions of subsections 3 and 6
26 to 10 of section 523.205 shall apply unless the condemning entity
27 is subject to the relocation assistance provisions of the federal

1 Uniform Relocation Assistance Act.

2 3. Any entity with the power of eminent domain and pursuing
3 the acquisition of property for the purpose of constructing a
4 power generation facility after December 31, 2006, after
5 providing notice in a newspaper of general circulation in the
6 county where the facility is to be constructed, shall conduct a
7 public meeting disclosing the purpose of the proposed facility
8 prior to making any offer to purchase property in pursuit thereof
9 or, alternatively, shall provide the property owner with
10 notification of the identity of the condemning authority and the
11 proposed purpose for which the condemned property shall be used
12 at the time of making the initial offer.

13 4. (1) Notwithstanding the provisions of subsection 2 of
14 this section, no entity shall have the power of eminent domain
15 under the provisions of this section for the purpose of
16 constructing above-ground merchant lines.

17 (2) For the purpose of this subsection, the following terms
18 mean:

19 (a) "Merchant line", a high-voltage direct current electric
20 transmission line that does not provide for the erection of
21 electric substations at intervals of less than fifty miles, which
22 substations are necessary to accommodate both the purchase and
23 sale to persons located in this state of electricity generated or
24 transmitted by such entity; and

25 (b) "Entity", a utility company that does not provide
26 service to end-use customers or provide retail service in
27 Missouri, or does not collect its costs to provide service under

1 a regional transmission organization tariff, regardless of
2 whether it has received a certificate of convenience and
3 necessity from the public service commission under section
4 393.170.

5 (3) This subsection shall not apply to any rural electric
6 cooperative organized or operating under the provisions of
7 chapter 394, or to any corporation organized on a nonprofit or a
8 cooperative basis as described in subsection 1 of section
9 394.200, or to any electrical corporation operating under a
10 cooperative business plan as described in subsection 2 of section
11 393.110.

12 610.021. Except to the extent disclosure is otherwise
13 required by law, a public governmental body is authorized to
14 close meetings, records and votes, to the extent they relate to
15 the following:

16 (1) Legal actions, causes of action or litigation involving
17 a public governmental body and any confidential or privileged
18 communications between a public governmental body or its
19 representatives and its attorneys. However, any minutes, vote or
20 settlement agreement relating to legal actions, causes of action
21 or litigation involving a public governmental body or any agent
22 or entity representing its interests or acting on its behalf or
23 with its authority, including any insurance company acting on
24 behalf of a public government body as its insured, shall be made
25 public upon final disposition of the matter voted upon or upon
26 the signing by the parties of the settlement agreement, unless,
27 prior to final disposition, the settlement agreement is ordered

1 closed by a court after a written finding that the adverse impact
2 to a plaintiff or plaintiffs to the action clearly outweighs the
3 public policy considerations of section 610.011, however, the
4 amount of any moneys paid by, or on behalf of, the public
5 governmental body shall be disclosed; provided, however, in
6 matters involving the exercise of the power of eminent domain,
7 the vote shall be announced or become public immediately
8 following the action on the motion to authorize institution of
9 such a legal action. Legal work product shall be considered a
10 closed record;

11 (2) Leasing, purchase or sale of real estate by a public
12 governmental body where public knowledge of the transaction might
13 adversely affect the legal consideration therefor. However, any
14 minutes, vote or public record approving a contract relating to
15 the leasing, purchase or sale of real estate by a public
16 governmental body shall be made public upon execution of the
17 lease, purchase or sale of the real estate;

18 (3) Hiring, firing, disciplining or promoting of particular
19 employees by a public governmental body when personal information
20 about the employee is discussed or recorded. However, any vote
21 on a final decision, when taken by a public governmental body, to
22 hire, fire, promote or discipline an employee of a public
23 governmental body shall be made available with a record of how
24 each member voted to the public within seventy-two hours of the
25 close of the meeting where such action occurs; provided, however,
26 that any employee so affected shall be entitled to prompt notice
27 of such decision during the seventy-two-hour period before such

1 decision is made available to the public. As used in this
2 subdivision, the term "personal information" means information
3 relating to the performance or merit of individual employees;

4 (4) The state militia or national guard or any part
5 thereof;

6 (5) Nonjudicial mental or physical health proceedings
7 involving identifiable persons, including medical, psychiatric,
8 psychological, or alcoholism or drug dependency diagnosis or
9 treatment;

10 (6) Scholastic probation, expulsion, or graduation of
11 identifiable individuals, including records of individual test or
12 examination scores; however, personally identifiable student
13 records maintained by public educational institutions shall be
14 open for inspection by the parents, guardian or other custodian
15 of students under the age of eighteen years and by the parents,
16 guardian or other custodian and the student if the student is
17 over the age of eighteen years;

18 (7) Testing and examination materials, before the test or
19 examination is given or, if it is to be given again, before so
20 given again;

21 (8) Welfare cases of identifiable individuals;

22 (9) Preparation, including any discussions or work product,
23 on behalf of a public governmental body or its representatives
24 for negotiations with employee groups;

25 (10) Software codes for electronic data processing and
26 documentation thereof;

27 (11) Specifications for competitive bidding, until either

1 the specifications are officially approved by the public
2 governmental body or the specifications are published for bid;

3 (12) Sealed bids and related documents, until the bids are
4 opened; and sealed proposals and related documents or any
5 documents related to a negotiated contract until a contract is
6 executed, or all proposals are rejected;

7 (13) Individually identifiable personnel records,
8 performance ratings or records pertaining to employees or
9 applicants for employment, except that this exemption shall not
10 apply to the names, positions, salaries and lengths of service of
11 officers and employees of public agencies once they are employed
12 as such, and the names of private sources donating or
13 contributing money to the salary of a chancellor or president at
14 all public colleges and universities in the state of Missouri and
15 the amount of money contributed by the source;

16 (14) Records which are protected from disclosure by law;

17 (15) Meetings and public records relating to scientific and
18 technological innovations in which the owner has a proprietary
19 interest;

20 (16) Records relating to municipal hotlines established for
21 the reporting of abuse and wrongdoing;

22 (17) Confidential or privileged communications between a
23 public governmental body and its auditor, including all auditor
24 work product; however, all final audit reports issued by the
25 auditor are to be considered open records pursuant to this
26 chapter;

27 (18) Operational guidelines, policies and specific response

1 plans developed, adopted, or maintained by any public agency
2 responsible for law enforcement, public safety, first response,
3 or public health for use in responding to or preventing any
4 critical incident which is or appears to be terrorist in nature
5 and which has the potential to endanger individual or public
6 safety or health. Financial records related to the procurement
7 of or expenditures relating to operational guidelines, policies
8 or plans purchased with public funds shall be open. When seeking
9 to close information pursuant to this exception, the public
10 governmental body shall affirmatively state in writing that
11 disclosure would impair the public governmental body's ability to
12 protect the security or safety of persons or real property, and
13 shall in the same writing state that the public interest in
14 nondisclosure outweighs the public interest in disclosure of the
15 records;

16 (19) Existing or proposed security systems and structural
17 plans of real property owned or leased by a public governmental
18 body, and information that is voluntarily submitted by a
19 nonpublic entity owning or operating an infrastructure to any
20 public governmental body for use by that body to devise plans for
21 protection of that infrastructure, the public disclosure of which
22 would threaten public safety:

23 (a) Records related to the procurement of or expenditures
24 relating to security systems purchased with public funds shall be
25 open;

26 (b) When seeking to close information pursuant to this
27 exception, the public governmental body shall affirmatively state

1 in writing that disclosure would impair the public governmental
2 body's ability to protect the security or safety of persons or
3 real property, and shall in the same writing state that the
4 public interest in nondisclosure outweighs the public interest in
5 disclosure of the records;

6 (c) Records that are voluntarily submitted by a nonpublic
7 entity shall be reviewed by the receiving agency within ninety
8 days of submission to determine if retention of the document is
9 necessary in furtherance of a state security interest. If
10 retention is not necessary, the documents shall be returned to
11 the nonpublic governmental body or destroyed;

12 (20) The portion of a record that identifies security
13 systems or access codes or authorization codes for security
14 systems of real property;

15 (21) Records that identify the configuration of components
16 or the operation of a computer, computer system, computer
17 network, or telecommunications network, and would allow
18 unauthorized access to or unlawful disruption of a computer,
19 computer system, computer network, or telecommunications network
20 of a public governmental body. This exception shall not be used
21 to limit or deny access to otherwise public records in a file,
22 document, data file or database containing public records.
23 Records related to the procurement of or expenditures relating to
24 such computer, computer system, computer network, or
25 telecommunications network, including the amount of moneys paid
26 by, or on behalf of, a public governmental body for such
27 computer, computer system, computer network, or

1 telecommunications network shall be open;

2 (22) Credit card numbers, personal identification numbers,
3 digital certificates, physical and virtual keys, access codes or
4 authorization codes that are used to protect the security of
5 electronic transactions between a public governmental body and a
6 person or entity doing business with a public governmental body.
7 Nothing in this section shall be deemed to close the record of a
8 person or entity using a credit card held in the name of a public
9 governmental body or any record of a transaction made by a person
10 using a credit card or other method of payment for which
11 reimbursement is made by a public governmental body;

12 (23) Records submitted by an individual, corporation, or
13 other business entity to a public institution of higher education
14 in connection with a proposal to license intellectual property or
15 perform sponsored research and which contains sales projections
16 or other business plan information the disclosure of which may
17 endanger the competitiveness of a business; ~~and~~

18 (24) Records relating to foster home or kinship placements
19 of children in foster care under section 210.498; and

20 (25) Individually identifiable customer usage and billing
21 records for customers of a municipally owned utility, unless the
22 records are requested by the customer or authorized for release
23 by the customer, except that a municipally owned utility shall
24 make available to the public the customer's name, billing
25 address, location of service, and dates of service provided for
26 any commercial service account.

27 620.2451. Grants awarded under sections 620.2450 to

1 620.2458 shall fund the acquisition and installation of retail
2 broadband internet service at speeds of at least twenty-five
3 megabits per-second download and three megabits per-second
4 upload, but that is scalable to higher speeds. The department
5 shall maintain a record of all federal grants awarded to entities
6 for the purposes of providing, maintaining, and expanding rural
7 broadband in the state of Missouri. In cases in which funds have
8 been awarded by a federal agency but later retained, withheld, or
9 otherwise not distributed to the original grant recipient due to
10 failure to meet performance standards or other criteria, the
11 department shall seek to have the funds awarded to another
12 eligible, qualified Missouri broadband provider.

13 620.2459. Pursuant to section 23.253 of the Missouri sunset
14 act:

15 (1) The provisions of the new program authorized under
16 sections 620.2450, 620.2451, 620.2452, 620.2453, 620.2454,
17 620.2455, 620.2456, 620.2457, and 620.2458 shall sunset
18 automatically three years after August 28, ~~[2018]~~ 2027, unless
19 reauthorized by an act of the general assembly; and

20 (2) If such program is reauthorized, the program authorized
21 under sections 620.2450, 620.2451, 620.2452, 620.2453, 620.2454,
22 620.2455, 620.2456, 620.2457, and 620.2458 shall sunset
23 automatically six years after the effective date of the
24 reauthorization of sections 620.2450, 620.2451, 620.2452,
25 620.2453, 620.2454, 620.2455, 620.2456, 620.2457, and 620.2458;
26 and

27 (3) Sections 620.2450, 620.2451, 620.2452, 620.2453,

1 620.2454, 620.2455, 620.2456, 620.2457, and 620.2458 shall
2 terminate on September first of the calendar year immediately
3 following the calendar year in which the program authorized under
4 sections 620.2450, 620.2451, 620.2452, 620.2453, 620.2454,
5 620.2455, 620.2456, 620.2457, and 620.2458 is sunset.

6 640.142. 1. Within twelve months of the effective date of
7 this section, each public water system shall create a plan that
8 establishes policies and procedures for identifying and
9 mitigating cyber risk. The plan shall include risk assessments
10 and implementation of appropriate controls to mitigate identified
11 cyber risks.

12 2. Public water systems that do not use an internet-
13 connected control system are exempt from the provisions of this
14 section.

15 3. The provisions of this section shall not apply to any
16 state parks, cities with a population of more than thirty
17 thousand inhabitants, a county with a charter form of government
18 and with more than six hundred thousand but fewer than seven
19 hundred thousand inhabitants, a county with a charter form of
20 government and with more than nine hundred fifty thousand
21 inhabitants, or a public service commission regulated utility
22 with more than thirty thousand customers.

23 640.144. 1. All public water systems shall be required to
24 create a valve inspection program that includes:

- 25 (1) Inspection of all valves every ten years;
26 (2) Scheduled repair or replacement of broken valves; and
27 (3) Within five years of the effective date of this

1 section, identification of each shut off valve location using a
2 geographic information system or an alternative physical mapping
3 system that accurately identifies the location of each valve.

4 2. All public water systems shall be required to create a
5 hydrant inspection program that includes:

6 (1) Annual testing of every hydrant in the public water
7 system;

8 (2) Scheduled repair or replacement of broken hydrants;

9 (3) A plan to flush every hydrant and dead-end main;

10 (4) Maintenance of records of inspections, tests, and
11 flushings for six years; and

12 (5) Within five years of the effective date of this section,
13 identification of each hydrant location using a geographic
14 information system or an alternative physical mapping system that
15 accurately identifies the location of each hydrant.

16 3. The provisions of this section shall not apply to any
17 state parks, cities with a population of more than thirty
18 thousand inhabitants, a county with a charter form of government
19 and with more than six hundred thousand but fewer than seven
20 hundred thousand inhabitants, a county with a charter form of
21 government and with more than nine hundred fifty thousand
22 inhabitants, or a public service commission regulated utility
23 with more than thirty thousand customers.

24 640.145. 1. Public water systems shall submit a report
25 upon request of the department of natural resources that shall
26 certify compliance with all regulations regarding:

27 (1) Water quality sampling, testing, and reporting;

1 (2) Hydrant and valve inspections under section 640.144;
2 and

3 (3) Cyber security plans and policies, if required under
4 section 640.142.

5 2. The provisions of this section shall not apply to any
6 state parks, cities with a population of more than thirty
7 thousand inhabitants, a county with a charter form of government
8 and with more than six hundred thousand but fewer than seven
9 hundred thousand inhabitants, a county with a charter form of
10 government and with more than nine hundred fifty thousand
11 inhabitants, or a public service commission regulated utility
12 with more than thirty thousand customers.

13 Section 1. As part of the gas corporation's first general
14 rate proceeding after June 1, 2020, each gas corporation
15 regulated by the public service commission shall submit an
16 evaluation, plan, or tariff regarding the utilization of
17 renewable natural gas. Plans may address any or all of the
18 following: renewable natural gas opportunities, renewable
19 natural gas infrastructure, customer benefits, emission offsets,
20 ratemaking mechanisms and tariff design, renewable natural gas
21 green attributes and market structure, and any other items deemed
22 relevant by the petitioning gas corporation.

23 ~~[67.5122. Sections 67.5110 to 67.5122 shall~~
24 ~~expire on January 1, 2021, except that for small~~
25 ~~wireless facilities already permitted or collocated on~~
26 ~~authority poles prior to such date, the rate set forth~~
27 ~~in section 67.5116 for collocation of small wireless~~
28 ~~facilities on authority poles shall remain effective~~
29 ~~for the duration of the permit authorizing the~~
30 ~~collocation.]~~