

LEGISLATIVE REPORT



APWA KC Metro 2024 MO Session Report- Week 15 April 21, 2024

As Jefferson City looks ahead to week 16, this week saw the Senate dedicate floor time to debate budget items. HB 2016 is the emergency supplemental bill for \$2.2M to allow for funding the Governor's Executive Order to send Missouri National Guard members and Missouri State Highway Patrol troopers to Texas. After about an hour of debate, the Senate Third Read and Passed the bill by a 30-2 vote. The bill now will be sent to the Governor for final approval. This is the first bill sent to the Governor this session.

Senate Appropriations Chairman Lincoln Hough (R-Springfield) announced the timeline for the Senate to begin the review of the House's proposed FY2025 budget. The Appropriations Committee is expected to convene by next Tuesday to begin the "mark-up" process. This process entails either agreeing with the House position, which eliminates the item for conference, agreeing with the Governor's position, or creating a Senate position, which immediately designates that item for conference. Once the committee mark-up process is complete, it is Chairman Hough's intention to bring the budget bills before the full Senate for debate the following week. This will leave one week before the constitutional deadline for both chambers to negotiate any differences.

Key Upcoming Dates:

- May 10, 2024- Last Day to Constitutionally pass the FY 2025 Budget
- May 17, 2024 - Last day of Legislative Session

Kansas City Area Transportation Authority

The House Local Government Committee convened to discuss HB1634, sponsored by Representative Sean Pouche (R-Kansas City). The bill changes provisions relating to the Kansas City area transportation authority. The legislation states if there is a commissioner vacancy on the Kansas City Area Transportation Authority that was appointed from Platte or Clay County, the mayor of Kansas City must appoint a successor from the panel submitted by the county commission of the county wherein the vacancy occurred. A state public advocate provided opposing testimony. The Kansas City Area Transportation Authority provided informational testimony regarding the current process. No testimony in support was presented to the committee and no action was taken on the bill.

Water Exportation

The Senate dedicated floor time to debate SB 782. The bill specifies that it is unlawful for any person to withdraw from any water source for export outside the state of Missouri unless a water export permit issued by the Department of Natural Resources is held. Additionally, the bill requires a permit application recommendation be submitted to the General Assembly and the permit is deemed denied if the General Assembly does not take action on the recommendation within sixty days. Finally, the bill also outlines the process for renewing issued permits. During debate, the sponsor offered a substitute to provides that the findings relating to a request for reevaluation of any existing water exportation permit shall be sent to a major water user by the Director of the Department of Natural Resources within 60 days of the request, instead of 30 days; modifies the definition for "beneficial uses" and "water resources"; provides that a water exploration permit shall not be required where the withdrawal and ultimate use of the water are within 20 miles from the state border; provides that proposed use of water shall include recreational use; adds provisions relating to reevaluation of an existing water exportation permit; and provides that if a person applies for a water exportation permit, the Department of Natural Resources shall notify the county commission of the county where the water is located. Senator Tracy McCreery (D-St. Louis) further amended the bill to provide that the Clean Water Commission and MO water and soil districts have oversight/approval process over permits. Additionally, the amendment includes a new provision that outlines procedures in the event of a state of emergency to allow the Department to reevaluate existing permits. Senator Mike Moon (R-Ash Grove) then attempted to further amend the bill to prohibit the exportation of water by use of a pipeline facility unless the withdrawal and ultimate end use of the water by the pipeline is with the same six-digit hydrological unit code as the pipeline facility and is within 20 miles of the state border. After several hours of debate the bill was returned back to calendar to be debated further another day.

The House dedicated floor time to revisit HB 2153, the House companion to SB 782, highlighted above. After brief debate, the House passed the bill by a 114-36 vote. The bill now will be sent to the Senate for further consideration.

Solid Waste Permits

The Senate dedicated floor time to debate HB 1751, related to solid waste permits. Currently, the Missouri DNR is prohibited from issuing a permit for the operation of a solid waste disposal area designed to serve a city with a population greater than 400,000 inhabitants located in more than one county, if the site is located within one-half mile of an adjoining municipality without its approval. During debate, Senator Mike Cierpiot (R-Lee's Summit) offered a substitute to include solid waste processing facility, demolition landfill, or sanitary landfill to the description, and change the adjoining jurisdictions from one-half mile to within one mile. After no debate, the Senate passed the bill by a 24-7 vote. The bill now will be sent back to the House for further consideration.

Broadband Internet Expansion Grants

The Senate Emerging Issues Committee convened to discuss HB 2142. Currently a taxpayer may deduct from state income tax 100% of any federal grant money received for the purpose of providing or expanding access to broadband internet to areas of the state that lack access. This bill expands the deduction to include state or local grant money and limits the deduction only to money dispersed for this express purpose. Missouri Broadband Providers, Brightspeed, Missouri Electric Co-ops and Missouri Chamber of Commerce and Industry provided supporting testimony. No opposing testimony was presented to the committee and no action was taken on the bill.

Omnibus Utility

The Senate Commerce, Consumer Protection, Energy, and the Environment Committee convened to discuss HB 1746. The bill modifies and creates several new provisions relating to utilities. Specifically, the bill:

- Creates a uniform 20-year depreciation schedule for property tax assessments on gas and water infrastructure.
- Creates a state and local sales tax exemption for utilities' equipment, and materials used in the transmission and distribution of electricity.
- Allows consolidated sewer districts' boards of trustees to pay members up to \$100 for each attended meeting.

- Specifies that a large water public utility may file with the Public Service Commission for the purchase of small water systems and requires the PSC to approve the purchase within 6-months but provides the PSC may request an additional 30 days for good cause showing, if the PSC does not issue a decision within 30 days, the application shall automatically be approved.
- SB 1219, creates a uniform assessment for solar projects at 5% of the cost of the system.
- HB 2193, legislation was originally passed in 2021, to promote investments in renewable natural gas (RNG) by creating the Renewable Natural Gas Program which allowed gas corporations to recoup the costs for RNG projects. To date, the program has not been able to be fully implemented. The bill seeks to modify the program by directing the PSC to promulgate rules and spread the costs of the project across the rate base.
- Allows large consumers of energy that buy renewable energy or credits from the market, to avoid being charged twice. Once for the energy/credits they purchase and the cost of renewable compliance by the utility.
- SB 1422, modifies certain provision relating to deferrals by electrical corporations.
- Changes the definition of a "large water public utility" to include those that regularly provide water, sewer, or a combination of either, to more than 8,000 customers.
- Economic Development Rider-allows gas companies to offer a discount for large users. Includes consumer protections.
- SB 837, Securitization fix-allows PSC to go outside OA to hire financial advisor or outside counsel due to time constraints.
- HB 1622, requires the Public Service Commission to permit electrical, water, and gas corporations to recover workforce development investments. Utility cannot earn a return on the investment, and it is capped at .55% of the corporation's total operating revenues as reported in 2022.
- SB 982, language change that allows utilities to schedule hydrant tests to align with their mandated flushing program.
- HB 2501, Small Wireless Facility Deployment Act that took effect on 1/1/2019 expires January 1, 2025. The bill repeals the expiration date.

Liberty and Summit Utilities, Associated Industries of Missouri, MO Public Utility Alliance and City Utilities of Springfield, Strata Solar, Spire, Evergy, MO American Water, Ameren, MO Solar Energy Industry Association, Central States Water Resources, MO Natural Gas Association, MO Chamber, Association of MO Electric Cooperatives, AT&T, and META/Facebook supported the bill. The Consumer Council of MO, a private citizen, Sierra Club - Missouri Chapter, Midwest Energy Consumers Group, and Missouri Industrial Energy Consumers opposed the bill. The committee reconvened Thursday morning in executive session to consider passage of HB 1746. During committee discussion, a committee substitute was adopted to:

- Remove SB 1219, which creates a uniform assessment for solar projects at 5% of the cost of the system.
- Remove provisions that creates a uniform 20-year depreciation schedule for property tax assessments on gas and water infrastructure.
- Removes the provision that requires the PSC to approve the purchase of a small water systems within 6-months but provides the PSC may request an additional 30 days for good cause showing, if the PSC does not issue a decision within 30 days, the application shall automatically be approved.
- Includes SB 947, sponsored by Senator Holly Thompson-Rehder (R-Scott City), which modifies the definition of "video service" for provisions of law relating to video service providers to include the definition of streaming content.
- And includes HB 2056, sponsored by Representative Ben Keathley (R-Chesterfield), which requires municipalities and the Missouri Department of Transportation to reimburse non-rate regulated utility providers, including telecommunications, Internet, and cable providers, for facility relocation due to road maintenance or construction.

Once modified, the committee passed the bill by a 7-1 vote.

Filed Bills of Interest:

APWA-General

<https://gowatch.net/report/ZLr96KRqeE>

APWA-Emergency Responders

<https://govwatch.net/report/2abBP0wrwv>

APWA-Water

<https://govwatch.net/report/ZebQGPBr6X>

APWA-Transportation

<https://govwatch.net/report/59bxGBkqON>

APWA-Workforce Development

<https://govwatch.net/report/EeqO4OpbDX>

Upcoming Hearings of Interest:

04/17/2024 12:00 PM [House-Utilities Committee Hearing](#), HR 5

MEETING TIME: 12:00 PM or upon adjournment (whichever is later)

Executive Session (2):

[HB2351](#) Rep. Gary Bonacker (R) Modifies provisions for reorganized common sewer districts

04/23/2024 9:30 AM [House-Local Government Committee Hearing](#), HR 7

Executive Session (2):

[HB1634](#) Rep. Sean Pouche (R) Modifies provisions relating to the Kansas City area transportation authority

04/24/2024 8:00 AM [Senate-Transportation, Infrastructure, and Public Safety Committee Hearing](#), SCR 1

Public Hearing (3):

[HB1707](#) Rep. Jeff Myers (R) Allows the chief law enforcement executive in any jurisdiction to request assistance from another jurisdiction, including a jurisdiction outside the state of Missouri

[HB1870](#) Rep. Tim Taylor (R) Modifies provisions relating to certain fees collected by the "Missouri Emergency Response Commission"

Chamber Floor Calendars

[House](#)

[Senate](#)