

FIRST REGULAR SESSION

HOUSE BILL NO. 902

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES DUNN (Sponsor), CARPENTER,
RUNIONS AND SCHIEFFER (Co-sponsors).

2086L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 262, RSMo, by adding thereto one new section relating to urban agricultural zones.

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

Section A. Chapter 262, RSMo, is amended by adding thereto one new section, to be known as section 262.900, to read as follows:

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

- (1) "Agricultural products", an agricultural, horticultural, viticultural, or vegetable product, growing of grapes that will be processed into wine, bees, honey, fish or other aquacultural product, planting seed, livestock, a livestock product, a forestry product, poultry or a poultry product, either in its natural or processed state, that has been produced, processed, or otherwise had value added to it in this state;
- (2) "Blighted area", that portion of the city within which the legislative authority of such city determines that by reason of age, obsolescence, inadequate or outmoded design or physical deterioration have become economic and social liabilities, and that such conditions are conducive to ill health, transmission of disease, crime or inability to pay reasonable taxes;
- (3) "Domesticated animal", cattle, calves, sheep, swine, ratite birds including but not limited to ostrich and emu, llamas, alpaca, buffalo, elk documented as obtained from a legal source and not from the wild, goats, or horses, other equines, or rabbits raised in confinement for human consumption;
- (4) "Grower UAZ", a type of UAZ:

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.

- 17 **(a) That can either grow produce, raise livestock, or produce other value added**
18 **agricultural products;**
- 19 **(b) That does not exceed fifty laying hens, six hundred fifty broiler chickens, or**
20 **thirty domesticated animals;**
- 21 **(5) "Livestock", cattle, calves, sheep, swine, ratite birds including but not limited**
22 **to ostrich and emu, aquatic products as defined in section 277.024, llamas, alpaca, buffalo,**
23 **elk documented as obtained from a legal source and not from the wild, goats, or horses,**
24 **other equines, or rabbits raised in confinement for human consumption;**
- 25 **(6) "Locally grown", a product that was grown or raised in the same county as the**
26 **UAZ or in an adjoining county. For a product raised or sold in a city not within a county,**
27 **"locally grown" includes those counties adjoining a county with a charter form of**
28 **government and with more than nine hundred fifty thousand inhabitants;**
- 29 **(7) "Processing UAZ", a type of UAZ:**
- 30 **(a) That processes livestock or poultry for human consumption;**
- 31 **(b) That meets federal and state processing laws and standards;**
- 32 **(8) "Meat", any edible portion of livestock or poultry carcass or part thereof;**
- 33 **(9) "Meat product", anything containing meat intended for or capable of use for**
34 **human consumption, which is derived, in whole or in part, from livestock or poultry;**
- 35 **(10) "Poultry", any domesticated bird intended for human consumption;**
- 36 **(11) "Value added agricultural products", any product or products that are the**
37 **result of:**
- 38 **(a) Using an agricultural product grown in this state to produce a meat or dairy**
39 **product in this state;**
- 40 **(b) A change in the physical state or form of the original agricultural product;**
- 41 **(c) An agricultural product grown in this state whose value has been enhanced by**
42 **special production methods such as organically grown products; or**
- 43 **(d) A physical segregation of a commodity or agricultural product grown in this**
44 **state that enhances its value such as identity preserved marketing systems;**
- 45 **(12) "Urban agricultural zone" or "UAZ", a zone that contains the following**
46 **activities to qualify for the benefits provided under this section:**
- 47 **(a) Any organization or person who grows produce or other agricultural products;**
- 48 **(b) Any organization or person that raises livestock or poultry;**
- 49 **(c) Any organization or person who processes livestock or poultry;**
- 50 **(d) Any organization that sells at a minimum seventy-five percent locally grown**
51 **food;**
- 52 **(13) "Vending UAZ", a type of UAZ:**

53 (a) That sells produce, meat, or value added locally grown agricultural goods;
54 (b) That applies to the department of agriculture for an UAZ vendor license;
55 (c) That is able to accept food stamps under the provisions of the Federal Food
56 Stamp Program as a form of payment.

57 2. (1) A person or organization shall submit to any incorporated municipality an
58 application to develop an UAZ on a blighted area of land. Such application shall
59 demonstrate or identify on the application:

60 (a) If the person or organization is a grower UAZ, processing UAZ, vending UAZ,
61 or a combination of all three types of UAZs provided in this paragraph, in which case the
62 person or organization shall meet the requirements of each type of UAZ in order to
63 qualify;

64 (b) The number of jobs to be created;

65 (c) The types of products to be produced (i.e. produce, value added agriculture
66 products, livestock/domesticated animal);

67 (d) If applying for a vending UAZ, the ability to accept food stamps under the
68 provisions of the Federal Food Stamp Program if selling products to consumers.

69 (2) A municipality shall review and modify the application as necessary before
70 either approving or denying the request to establish an UAZ.

71 (3) Approval of the UAZ by such municipality shall be reviewed five and ten years
72 after the development of the UAZ. After twenty-five years, the UAZ shall dissolve. If the
73 municipality finds during its review that the UAZ is not meeting the requirements set out
74 in this section, the municipality may dissolve the UAZ.

75 3. Once the requirements of this section have been complied with, the real property
76 of the UAZ shall not be subject to assessment or payment of ad valorem taxes on real
77 property imposed by the cities affected by this section, or by the state or any political
78 subdivision thereof, for a period of ten years at which time the property shall then be
79 reassessed. The UAZ shall then pay fifty percent of the assessed value for the next fifteen
80 years. If only a portion of real property is used as an UAZ, then only that portion of real
81 property shall not be subject to assessment or payment of ad valorem taxes on such
82 property.

83 4. If the water services for the UAZ are provided by the municipality, a grower
84 UAZ shall pay wholesale water rates, if available, for the cost of water consumed on the
85 UAZ and shall pay fifty percent of the standard cost to hook onto the water source.

86 5. (1) Any sales tax revenues received from the sale of products sold in the UAZ,
87 excluding sales taxes that are constitutionally dedicated, taxes deposited to the school
88 district trust fund in accordance with section 144.701, sales and use taxes on motor

89 vehicles, trailers, boats, and outboard motors, and future sales taxes earmarked by law,
90 shall be deposited in the urban agricultural zone fund established in subdivision (2) of this
91 subsection. School districts may apply to the state treasurer for money in the fund to be
92 used for the development of curriculum on, or the implementation of, urban farming
93 practices under the guidance of the University of Missouri extension service and a certified
94 vocational agricultural instructor. The funds are to be distributed within the school
95 district in which the UAZ is located.

96 (2) There is hereby created in the state treasury the "Urban Agricultural Zone
97 Fund", which shall consist of money collected under subdivision (1) of this subsection. The
98 state treasurer shall be custodian of the fund. In accordance with sections 30.170 and
99 30.180, the state treasurer may approve disbursements. The fund shall be a dedicated fund
100 and, upon appropriation, money in the fund shall be used solely for the administration of
101 subdivision (1) of this subsection. Notwithstanding the provisions of section 33.080 to the
102 contrary, any moneys remaining in the fund at the end of the biennium shall not revert to
103 the credit of the general revenue fund. The state treasurer shall invest moneys in the fund
104 in the same manner as other funds are invested. Any interest and moneys earned on such
105 investments shall be credited to the fund.

106 6. The provisions in this section shall supercede any local ordinances to the
107 contrary.

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